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Daily Report
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Pakistani Defense Minister, Delegation Visiting

LD0803193995 Tirana Radio Tirana in English 1900 GMT 8 Mar 95

[FBIS Transcribed Text] The Albanian Prime Minister Aleksandr Meksi received on Tuesday the Pakistani military delegation headed by the Pakistani Defense Minister Aftab Shaban Mirani who is paying a visit to Albania. Meksi pointed out the afforts of the Albanian Government to carry through the economic reform which is to bring more prosperity and increase the foreign investments in Albania. The Albanian prime minister pointed out the importance given to the relations with the neighbors and even those countries which are contributing to the development of Albania. There exist great possibilities to cooperate with Pakistan in the field of industry, especially the textile one, but even in the fields of commerce, banking system and defense, said Meksi.

In his words Mirani transmitted to Meksi the greetings of the Pakistani Prime Minister Benazir Bhutto. He expressed the gratitude for the cordial receival [as heard] and pointed out the willingness of Pakistan to strengthen the relations with Albania in all the fields.

Selami Explains Efforts To Reform PD

AU0903071995 Tirana LAJMI I DITES in Albanian 4 Mar 95 p 1

[Article by L. Karadaku and S. Olldashi: "The PD Leader Calls on His Supporters To Stick Together and Win the 1996 Election"]

[FBIS Translated Text] The leader of the Democratic Party [PD], Eduard Selami, yesterday called on his supporters to stick together and win the 1996 election. "I will in no way leave the Democratic Party, and I appeal to my supporters to stick together in order to win the 1996 election," emphasized Selami at today's news conference in Tirana, two days before the special conference that will discuss his proposal for a method for approving the constitution. Mr. Selami started his news conference with questions from journalists, without making any preliminary statement.

Asked by the Albanian Telegraph Agency correspondent how he explained the recent change in his stand toward President Berisha, as he had been Berisha's main supporter during the past referendum campaign, Selami replied: "I have nothing against Berisha. However, I think this country should have its constitution soonest"—adding that he had never questioned the president's weight and contribution to the PD. "His contribution is widely felt and the weight he has in the PD is great," Selami said.

Answering a question by the AFP correspondent as to whether his present position had to deal with the way to approve the constitution, or with its content, Selami pointed out that he saw these two problems as inseparable because, as had been noticed in the November referendum, the only point on the political forces did not reach a consensus was the chapter on the president's powers. "Thus, that content must be revised," emphasized Mr. Selami.

When asked how he feels about the upcoming 5 March conference at a time when, according to RILINDJA DEMOKRATIKE, he has not found support in the meetings of the PD activists in the districts but rather among opposition exponents, Mr. Selami maintained that in the meetings of activists in the districts he had found support for his opinions.

Answering a question by an ALEANCA correspondent in connection with the special conference of 5 March, the leader of the PD said: "I will not prejudge what is going to happen, but it will be a good opportunity to show that there exists freedom of thought and free debate in the PD, and that decisions are made on the basis of majority."

To a question by the ATSh correspondent as to whether he was going to introduce a new doctrine on 5 March, Selami responded: "It is not a matter of doctrines but of political initiatives and moves that I have just made, just efforts to reform the PD so that we meet the 1996 election better prepared." Selami said that he has differences of opinions with other PD leaders with regard to the PD program, stressing that it was "quite a natural phenomenon, without claiming that what I say is the best or the absolute truth. However, I think it is quite natural that different viewpoints should exist within a big party like the PD." Further, Selami emphasized that democracy within the PD was a continuous process. "I think," he went on, "that the PD is more democratic than what it was four years ago"—adding that no matter what happens on 5 March, he will be one of those who will insist on providing Albania with a constitution within the PD's four-year mandate.

This was the second news conference held by Selami since he put forward his proposal in the parliament on approving the constitution. His proposal was not accepted by the PD's Presidency and National Council. The special conference of 5 March is expected to discuss the option submitted by Mr. Selami at a time when, according RILINDJA DEMOKRATIKE, the meetings of PD activists in the districts have rejected this option.

Pavlov-Led Army Delegation Travels to Russia

AU0903083595 Sofia Khorizont Radio Network in Bulgarian 0700 GMT 9 Mar 95

[FBIS Translated Text] A Bulgarian military delegation led by Defense Minister Dimitur Pavlov has departed on a three-day official visit to Russia. The delegation's program envisages talks at the level of experts and meetings between delegations of the two countries, delegations headed by Ministers Pavlov and Grachev. A plan for bilateral cooperation will also be signed.

Concern About Pullout of UN Troops From Croatia

LD0803191195 Belgrade TANJUG in English 1749 GMT 8 Mar 95

[FBIS Transcribed Text] Sofia, March 8 (TANJUG)—Bulgaria is concerned over Croatia's decision to deny further hospitality to U.N. peacekeepers, Bulgarian Foreign Ministry Spokesman Todor Churov told TANJUG on Wednesday.

The decision not to renew the peacekeepers' mandate represents a latent danger that the war might spread, Churov said.

Asked about the Bulgarian Foreign Ministry's view on deliveries of arms to the Bosnian Muslims in violation of the U.N. arms ban, Churov said that Bulgaria opposed all unilateral violations of the embargo on arms deliveries.

Zhelev Fails To Invite SDS Bosses to Reception

AU0803134595 Sofia 24 CHASA in Bulgarian 5 Mar 95 p 3

[Article by Monika Yanova: "Blue Chiefs Insulted by Zhelev"]

[FBIS Translated Text] Sources report that Union of Democratic Forces [SDS] leaders left, in a showy manner, the official reception given on 3 March by President Zhelev at the Boyana residence.

Ivan Kostov, Yordan Sokolov, and Ivan Kurtev left immediately after Dr. Zhelev's speech. They were insulted that Dr. Zhelev had not invited a single SDS party boss to the national holiday reception.

An SDS member has said that it is a political blunder to invite people such as [Aleksandur] Karakachanov, [Petur] Dertliev, and Petko Simeonov, who are outside the parliament for the second mandate, while the chiefs of the biggest parties in the SDS—such as Aleksandur Yordanov, Khristo Biserov, and Svetoslav Luchnikov—are not invited. The same source described as scandalous the fact that former Prime Minister Filip Dimitrov was not invited, while three other former prime ministers—Reneta Indzhova, Lyuben Berov, and Dimitur Popov—attended the reception. A source at 134 Rakovski Street [SDS headquarters] said that invitations to the national holiday reception were issued by the White House [Presidency] office on the basis of friendship rather than on political principle.

"The president is obviously disregarding the SDS as a political force," SDS Chief Secretary Ivan Kurtev said. He added: The head of state can invite whomever he wants to his receptions, but it is our right to react appropriately.

Sources on President Zhelev's team said the president observed all rules of protocol in issuing the invitations. Sources at 134 Rakovski Street think that the misunderstanding could hardly be used for again suspending relations with the president.

Havel, Slovakia's Kovac Discuss Internal Politics

LD0803190995 Prague Radiozurnal Radio Network in Czech 1700 GMT 8 Mar 95

[FBIS Translated Excerpt] Czech President Vaclav Havel and Slovak President Michal Kovac met in Lany [presidential residence near Prague] today. Eva Hulkova and Martin Dorazin report

[Begin recording] [Hulkova] Vaclav Havel said that after they exchanged information on the internal political situation in the two countries he voiced certain concerns about Slovakia.

[Havel] These are events that make us concerned about the extent to which everyone has identified with the well-tried principles of democratic behavior. [passage omitted]

[Dorazin] Michal Kovac said he believed that, within both the government coalition and the opposition, as well as among citizens, there were democratic forces strong enough to ensure in the life of the Slovak society democratic rules that are common in standard democracies. Answering a question from Czech radio, President Kovac explained which democratic forces he had in mind.

[Kovac] To my knowledge and according to the information available to me, the forces that understand the concept of standard democracy correctly are predominant in every coalition party. In my opinion, because they are predominant they are, together with other democratic forces in the opposition and in other strata of our civic society, a sufficient guarantee of limiting various deformations or efforts to explain the possibilities of a parliamentary majority in an undemocratic way. [passage omitted] [end recording]

Havel Quoted on Meeting

LD0803155095 Prague Radiozurnal Radio Network in Czech 1616 GMT 8 Mar 95

[FBIS Translated Text] A working meeting of presidents of the Slovak and the Czech Republics is continuing at Lany near Prague. Martin Dorazin reports on the talks between Michal Kovac and Vaclav Havel:

[Dorazin] I have expressed certain anxiety about some phenomena coming to us from Slovakia, Vaclav Havel said after the meeting. They are phenomena that give rise to concern as to what extent everybody acquired the well-tried and tested principles of democratic behavior.

President Havel went on to say that before the division of the Czechoslovak Federation he expressed concern in case the division leads toward receding of the Slovak political culture. He is, however, convinced that Slovakia will successfully overcome these birth pains, as he said.

The two presidents assured each other that the overall foreign political orientation was basically identical. The two of them also noted that relations between the Czech Republic and Slovakia should remain above standard.

President Concerned About Democracy in Slovakia

LD0803194995 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1730 GMT 8 Mar 95

[FBIS Translated Excerpt] [Announcer] Approximately an hour ago Slovak President Michal Kovac returned to Bratislava from his one-day visit of the Czech Republic. At the Lany chateau he held talks with Czech President Vaclav Havel. The working visit lasted longer than it was planned in the itinerary. [passage omitted]

Our editor Jozef Rebo, who comes to us with the following information from the Bratislava airport, was in the group of journalists.

[Rebo] [Passage omitted] Czech President Vaclav Havel was the first one to speak at the news conference.

[Begin Havel recording] Mr. President explained to me the situation in Slovakia during both our closed meeting and the meeting of our delegations. In return, I gave him my view of the political situation in our republic.

After Mr. President informed me of the situation in Slovakia, I expressed my concern about certain features that are reported from Slovakia. These are phenomena that raise our concern as to what extent everybody adopted the well-tried principles of democratic behavior.

Even before the 1992 elections, I expressed my worry that I hoped would not come true. I was concerned about Slovak political culture parting with the standards of European, or West European, political culture. [words indistinct] I still nurture this hope. [end recording] [passage omitted]

Havel on Relations With NATO, Russia, Germany

954F1473A Moscow NEZAVISIMAYA GAZETA in Russian 11 Feb 95 pp 1-2

[Interview with Vaclav Havel, president of the Czech Republic, by Vitaliy Tretyakov and Aleksandr Kuranov in the "Exclusive" column, datelined Prague, 3 Feb: "Vaclav Havel Plans To Come to Moscow on 9 May"]

[FBIS Translated Text] [Question] Mr. President, five years ago in the Laterna Magika theater, headquarters of the Civic Forum, on the fifth day of the "velvet revolution," when its outcome was not yet quite clear, you said to one of us that in five years you saw your country "truly free and prosperous." Have your hopes come true, and, if yes, to what extent?

[Havel] I think that on the whole our state is indeed developing in the direction I had hoped for then. It has become truly independent, truly free, is establishing a market economy, has democratic institutes and a pluralist political system.

Of course, everything is happening slower than I might have expected or could have imagined at the time. I did not, for example, expect then that our Federation would break into two states. There are many questions that trouble me, many problems which are taking longer to resolve than I had hoped.

But, I think, I was not mistaken in that basic expectation of mine.

[Question] The Czech Republic is currently a fairly unique state in the Central and East European region in the political sense, because in practically all other countries of the region parties of a neocommunist or, as they are also frequently called, neosocialist orientation have come to power and established respective leftist governments. Incidentally, there is a similar trend now in Russia. How do you explain the phenomenon of such a massive return of left-wing parties to power, as well as the fact that this has not happened in the Czech Republic?

[Havel] I think there are many reasons for this. I would name only one. It may, perhaps, sound paradoxical, but in part the Czech Republic was helped by Mr. Brezhnev. The reason is that because of the Soviet occupation in our country all progressive people were thrown out of the communist party in the course of mass purges. Anyone who had a mind of his own had to leave the party. So for twenty years we had probably the most conservative communist regime. We had no reformist forces within the communist party unlike, for example, Hungary or Poland. That is why today there is no reformed communist party in the Czech Republic which could hope to be supported by fellow citizens.

The very name "communist party" or the very idea that some former communist party could reform after the experience of twenty years of "normalization" is highly distasteful here.

That is one of the reason why we have a coalition of right-wing parties in power. But I repeat that there are many such reasons, and that this is only one.

[Question] But still, how do you evaluate this trend in general—as some reversal in politics, and perhaps even in practice?

[Havel] I personally do not feel that the neighboring countries are threatened by a return to communism. The reformed communist parties there have basically social-democratic programs, which may contain elements that I personally disagree with. But that is democracy: left and right alternate in power. I would not view this dramatically, and I would not see it as some threat of reverting to the past.

[Question] We would like to know what you think of Russia, and of attitudes in the Czech Republic towards Russia. Here in Prague we asked many people about this, and we have gained the impression that there is some kind of fear of Russia. Maybe it is justified, but we are attempting to find the causes of that fear.

[Havel] It is my impression that against the background of the entire historical experience these fears are in a way reasonable and understandable. Poland has its own centuries of troubled experience with a certain Russian, and then Soviet expansionism. And we have experienced one Soviet occupation. Against the background of such experience our countries, naturally, are highly sensitive to certain worrying signs that appear in Russian politics, which could again bring back the past in some new, more modern guise. For example, a desire to "elevate" us to the category of "near abroad"... People are highly sensitive to this.

[Question] Do you think, Mr. President, that the Czech Republic's joining NATO is one of the ways of resolving this problem?

[Havel] We want to join NATO not because we are afraid of Russia. We see in NATO the only functioning, truly European security structure, which is based on civilized values in which we believe. And our country, which has a highly diversified historical experience, including the experience of Munich, would not like to be in some kind of vacuum. It wants to be reliably protected, and have its allies and its security guarantees. That is what the North Atlantic alliance offers today. So it is quite natural that we want to join it. But this certainly does not mean that we do not want friendly relations with Russia or that this is an expression of our fear of Russia. If Russian politicians see the possible expansion of NATO to the east as the approach of some enemy, they are only displaying their adherence to certain stereotypes of the communist era when NATO and Russia confronted each other. But today the situation is different. NATO is not an organization directed against Russia. On the contrary, NATO getting closer to Russia means a closer zone of stability. That should be in the vital interests of Russia itself.

[Question] The Czech side has still not ratified the treaty between our countries. Are there any problems? Is there a prospect of the treaty being ratified soon?

[Havel] I have no doubt that the treaty will be passed in our parliament. Perhaps our parliament was waiting for ratification in Russia. We did, after all, see that there were deputies or forces in the Duma who for certain reasons did not want ratification. Now I see no reason why our parliament wouldn't ratify the treaty.

[Question] As far as we know, you have already been invited to visit Russia on May 9th, the 50th anniversary of the victory of the anti-Hitler forces in World War II. Will you accept the invitation, and do you intend to visit Russia in this connection?

[Havel] I have received the invitation. As yet I cannot officially confirm that I will come. But I think probably yes.

[Question] We would also like to ask you about the prospects of the Czech Republic's relations with Germany. There are many historical problems here, some of them quite sensitive. As far as we know, you intend in the near future to devote an address to this subject. Could you cite two or three points of that address for the readers of our newspaper?

[Havel] For understandable reasons, I cannot say in advance what will be in the address. I can only say that its purpose is to help clear the atmosphere of relations between Germany and the Czech Republic. I would like to help get rid of some obstacles which still exist on the path of good relations between us. And I would like to emphasize by this action that both countries are based on identical democratic values and are developing in the same direction. This is the main thing we should realize, and relations should be based on this.

[Question] Currently in Russia, and apparently here too, there is a major problem with the intelligentsia. Many criticize it, others say that it has walked away from politics, and that is bad. How would you describe relations between the democratic intelligentsia and the government?

[Havel] If by intelligentsia we mean educated and free-thinking people, I cannot imagine a modern state that does not respect the intelligentsia's voice. We are living in an era of confrontation with many global threats. There are many problems which only highly educated people can resolve. And it seems to me that the views of people who realize the interconnections of our civilization, and the views of people who know those problems are extremely important. They should be treated seriously, even when those voices may be critical with respect to the government.

[Question] Our last question is inevitably connected with your personal plans. Do you hope to ever return to literary activity?

[Havel] The last decades I wrote mainly essays, and, to some degree, I am continuing this work now. I have in mind the numerous speeches, which I always write myself, whose genre may to some extent resemble that of the essay.

As for work on plays, it is inaccessible to me as long as I remain president. Such work requires much time and concentration, which I do not have now. But, when I am no longer president, I will, I suppose, return to playwriting.

Klaus on U.S. Weapons Offer, Unions' Strategy

AU0903124795 Prague DENNI TELEGRAF in Czech 3 Mar 95 p 3

[Interview with Czech Prime Minister Vaclav Klaus by Tomas Chalupa; place and date not given: "The Trade Unions Should Register as a Political Party"]

[FBIS Translated Excerpt] [Passage omitted] [Chalupa] Evidently, we are not going to take up the offer to purchase weapons from the United States. What are the main reasons for this?

[Klaus] I think these are premature discussions and premature reasons. After all, decisions about taking up an offer concerning such a fundamental issue as purchasing weapons are not made from day to day but are an element of the Defense Ministry's long-term so-called acquisition plan. There it is written long in advance what we have to purchase, when to modify our weapons, what not to purchase, in what kind of structure, for how much, and so on. The idea that, following the announcement by the United States, we would throw this approved acquisition plan into the garbage can and formulate a new acquisition plan overnight comes, in my view, from the realm of irrational thinking. [passage omitted]

[Chalupa] The Bohemian-Moravian Chamber of Trade Unions has said several times that it would like to influence the election results and recommend its voters to vote for parties more favorably inclined toward unionists. On the other hand, it describes some other parties as being hostile to them. How do you like this strategy for the trades unions' activity?

[Klaus] I like this strategy very much, except that I would urge the unionist gentlemen to register themselves on the basis of a law other than the one under which they are now registered at the Interior Ministry. I would recommend that they register as a political party. That would be fair. [passage omitted]

Klaus Discusses Economic Transformation

AU0803193895 Prague HOSPODARSKE NOVINY in Czech 1 Mar 95 p 11

[Excerpt by "jbn" from the discussion that followed the speech by Prime Minister Vaclav Klaus at Zofinske Forum on 23 February: "The GDP Does Not Give a Complex Picture of the Czech Economy"]

[FBIS Translated Text] *On Thursday, 23 February, a meeting took place between Prime Minister Vaclav Klaus and the representatives of the Czech banking, enterprise, and academic communities, organized by HOSPODARSKE NOVINY and the NKL [expansion unknown] Agency. Questions were asked by those present after the prime minister's opening speech. We carry answers to some of these in an abbreviated form.*

[Question] You say that at this stage of our development, it is not appropriate to limit or attempt to limit the amount of money in circulation. Do you believe that the measures the central bank is taking now are exaggerated and unnecessary? How would you assess them?

[Klaus] Contrary to the central bank, I believe that I have many reasons for arguing that the difference in the rate of growth of the money supply and nominal product is not at all ominous. I do not believe that a dangerous development is taking place. I see the fast inflow of capital as an autonomous inflow given by the credibility of this country rather than short-term money that comes to the country with a temporarily advantageous exchange or interest differential. From all that I believe regarding the causes of our inflation, I deduce that we live in the world of what I call "cushions." I do not believe that there is any reason to move them in an active, fundamental manner. Sleeping without cushions is hard. Hence the only problem is that the cushion should not be too thick or we could get a stiff neck. So, let us carefully take some off—and we have already removed a lot of the cushions. Real wages have grown incessantly since 1991, so one of the cushions is emptying. The businessmen are well aware of the real rate appreciating, and another cushion is thereby emptying. Thus, I do not see any need to take any more aggressive measures.

[Question] We have maintained the same nominal rate for 50 months. Perhaps, it is even unnatural. How would you assess the presently stable rate of the koruna in relation to the development of Czech foreign trade?

[Klaus] We do not "maintain" the rate, it maintains itself. To maintain the rate in this sense or to reduce postliberalization inflation to the 10 percent limit is not an incessant work, all that is needed is not to make a mistake. I believe we did not make one. The present problem is to creep down by small percentages. I have already compared our reduction of inflation at a different forum to a weight-reducing diet, and I said that every one of us knows that if we sharply reduce the input of food in the first two weeks of the diet, the first few kilograms vanish. Then the dieter discovers, to his great surprise, that only grams rather than kilograms disappear in the following months. We are precisely at the stage in our economy, when the kilograms have vanished, and it is a matter of grams now, which applies also to the moderate decline in inflation.

[Question] From the macroeconomic point of view, one can only agree that the fixed rate worked out very favorably. Has it not, however, hampered the assimilation of our enterprises with the foreign firms?

[Klaus] I believe that it works well not only in macroeconomic terms but also as an anchor. That is, it works as a nominal anchor for all other price and value quantities. That is a microeconomic issue. Although I have been attacked a million times for the shock therapy, I believe on the contrary, that the opposite assessment would have been correct. I should have been described as the person who introduced the nonshock transformation cushions. The shock therapy can be illustrated by the GDR—setting one mark to one mark—or the proposal made here of three korunas per mark. This would be shock therapy, and I still have the feeling that the assimilation has been rather demanding for our enterprise sphere. The question may be raised whether the exchange-rate cushion is not too thick today. It may seem so, when only the total of our balance of payments is considered, if I did not look in its guts, and if I did not consider the development of foreign trade. If we had a trade surplus, if exports skyrocketed and imports stagnated, it would be a sign that the cushion should not be left so soft for our enterprises. Since I see, however, the opposite, imports growing much faster than exports, and since I expect a further opening of the gap between exports and imports, I do not have the feeling that the existing rate with its permanent real revaluation is such a soft cushion, and that our enterprise sphere deserves another hard shock. I simply do not believe so, and am convinced that this matter should be left to its natural development.

[Question] Revaluation causes innovative pressures, and prevents the import of inflation, while devaluation supports exports. What is more desirable today?

[Klaus] Devaluation is out of the question, however much some export enterprises would wish it. We have implemented one devaluation, and as long as we do not make a mistake, I believe we do not need to introduce another one. If I have a dream, and real ambition, then it is to be able to prepare a lecture once entitled "From a Fixed Rate to a Fixed Rate," or a smooth flow from our present fixed rate to a fixed rate within the framework of the European currency system without any interplay. It is subject to further consideration but, after all, this transition from one fixed rate to another does not have to be anything but a simple redefinition of our currency basket. We would say that the rate is no longer fixed against the mark and the dollar but rather against the mark and some other currencies of the European currency system. I can very well imagine such a development, so I would not speak about any devaluation.

The revaluation causing innovative pressures, then, if we feel that we want to be pushed further into the water than we already are, and that the environment is not harsh enough for our enterprise sphere, let us call for revaluation. I accept it, although I do not believe it will ever happen.

[Question] The foreign currency law versus the fixed rate of the koruna—What will happen with the development of the foreign currency rates after the convertibility of the koruna is introduced?

[Klaus] Well, the new foreign currency law will not include a single line, single phrase, or note on the exchange rate, a single note about the rate regime. That is an entirely different issue, and the question could (or should) be phrased differently. Will the new foreign currency law result in another step in the deregulation of our financial flows? Will it have such an impact on the factors affecting the exchange rate as to incite different pressures on the exchange rate in either direction? That is how the question should be phrased. We believe that this new foreign currency law, or the convertibility of the koruna according to Article 8 of the IMF Charter, will not bring about the actual expression of these movements and pressures. The only factor, we can imagine, is that foreign investors will say: "The Czech Republic dares to introduce a higher level of convertibility. Lo and behold! It is better off—we must invest more in there." The inflow of foreign capital could increase, but I do not want to speak for foreign investors.

[Question] When do you expect we will be able to afford not to have a foreign currency law?

[Klaus] I have no idea, although I am not a person without long-term expectations. Nonetheless, it is really meaningless to proclaim a thesis whether we will have the foreign currency law a year, 18 months, two years, or 30 months. Who remembers the simile I used to use some five years ago, when everybody asked me about future steps in the economic transformation, and I kept answering: Examine me on the chess opening, do not ask me how the situation on the board will look after the 25th move of the white. It was my dictum that I spread around the world, and everybody loved it. Yes, I would say today do not examine me on the chess opening. Examine me on the middle game but I consider it almost useless to examine me on whether I know the end game with three pawns against two pawns and a bishop. I know it, but right now the middle game has the priority.

[Question] Why does the new foreign currency law not anticipate the creation of the possibility of free investment abroad by natural persons?

[Klaus] This bill is a result of endeavors to achieve convertibility of the current account of the balance of payments. That is the technical term, and that is precisely what is defined in Article 8 of the IMF Charter. Yes, as this maneuver in the middle game, we want the convertibility of the current account of the balance of payments plus some introductory steps toward the convertibility of the capital account of the balance of payments. We take as the point of departure the possibility of direct investment abroad and the possibility of real estate purchases abroad. Upon adoption of this law, I expect all of you to decide that it is not worth buying weekend houses in southern Bohemia and Jizera valley and that it is time to buy properties on the coast of Spain or in Mallorca. The new law will facilitate this, and that is a significant step toward the liberalization of the capital account. I believe that another major step may not even be necessary.

[Question] The GDP growth of 2-3 percent last year and the growth in the money supply of about 20 percent—would you agree that such a high increase in the money supply in fact amounts to planning inflation?

[Klaus] Everything is a matter of definition, understanding, or interpretation of the velocity of money circulation—everything it covers. The standard definitions of the quantities in the exchange equation do not tell us everything, and another interpretation would be useful. The question stands that the product rose in the order of 3 percent and inflation 10 percent, so the nominal product rose 13 percent. Here, I would like to draw everyone's attention to the fact that the exchange equation—which is the equation that puts it all together—does not have an intrinsically defined product. It does not have the GDP intrinsically defined as the right quantity in question. The exchange equation (quantity theory of money) was based on the relation between the quantity of money and the velocity of its circulation vis-a-vis prices [the price level] times not the product (GDP) but rather the pecuniary transaction (MV=PQ ed. note). Since we do not have a high-quality analysis of monetary transactions, we help ourselves (as the best approximation) by substituting the most complex quantity in the economy—the gross domestic product. It has never been stated anywhere, however, that the GDP precisely represents the volume of executed economic transactions. The GDP reflects more or less only the so-called transaction connected with current output. It does not include all the economic transactions that are not connected with the current output and current production in 1994. This means (I am trivializing) that no sal[illegible] Rubens' painting or blue Mauritius are included. A[illegible] all, if we all suddenly started selling in the Czech Republic those blue Mauritiuses and Rubens' paintings, we would execute numerous pecuniary transactions that require money, yet would not be included in the GDP amount because neither blue Mauritius nor Rubens' paintings were produced in 1994 and neither are included in the GDP statistics of the Czech Statistical Office. In a normal economy, one could say that the volume of these transactions outside the current output is constant, and if we experience times of growth, it does not matter. In a transformation economy, when numerous completely new items enter the economy, a tremendous quantity of transactions—financial, on the stock or capital markets, or privatization deals—are added. These are huge movements of money that the GDP indicator never shows. I cannot confirm the idea that the volume of pecuniary transactions rose last year at the same rate as the GDP (i.e. by 3 percent). As a matter of fact, I do not believe it did. Maybe we have already overcome this factor, which completely changes all these relations, nevertheless it was a factor very relevant in 1991, 1992, and perhaps even in 1993. After all, a tremendous number of enterprises were added, a huge plants transition occurred—many plants and workshops were transformed into independent enterprises. These enterprises formerly did not bill or pay each other. They became private and independent. There is enterprise A, enterprise B, and the flow of goods that used to be a subcontract within a single enterprise is suddenly paid. I am convinced, and I have made many attempts at explaining it, that the relevant quantity is not the Q in the GDP but rather the volume of transactions that most likely moves, particularly in a transforming economy, quite differently from the GDP. For all these reasons I have just named, I am convinced that it grows certainly at a much slower pace than the tangible volume of our output. So I do not believe that the existing gap, if I calculated it in the manner indicated, would result in some dangerous inflationary gap.

[Question] Could you be exaggerating the attractiveness of the credibility of the Czech Republic to foreign capital, as the majority of it consists of joint venture capital and portfolio investments to the detriment of long-term investment in the production sphere?

[Klaus] I really do not overestimate the capital—but nor do I underestimate it. I have clung from the very beginning to the same, and completely identical assessment, and I must insist that in this respect my opinion has been and is consistent. I have always struggled against the idea that we must attract as much capital as possible by various tax breaks and creating specific conditions. If we feel now that the capital is flowing in too fast, I stick to my position in the middle, and say: I do not see any reason to apply some artificial brakes. Let the natural processes work.

[Question] How do you feel about the view that the inflation potential resulting from the foreign capital inflow could be solved (neutralized) by liberalizing capital exports?

[Klaus] I do not know. I cannot make a reasonable guess. I do not believe, however, that the Czech banking and enterprise spheres would start neutralizing the flow of capital into the economy by liberalizing the capital account of the balance of payments, by exporting capital. We are introducing the liberalization of our monetary, foreign currency, and financial transactions very carefully, while closely following all the correlated issues. We have not even needed the renowned and unfortunate Mexican experience of the past two months. Even without it, we would have known that one has to be very careful in these matters, and the Mexican crisis only dramatized everything and highlighted it. The Mexican crisis taught the whole world a great lesson. I do not believe that we are guilty of any of the sins that Mexico committed but I assure you that we follow it very closely and so do I.

[Question] Will the convertibility result in immediate pressure of competition from the foreign banks on the Czech financial institutes to provide cheap, long-term, and advantageous loans?

[Klaus] If the foreign banks continue as they have so far—i.e., that they will not provide credit directly but through our commercial banks, which collect the difference—the end result will remain meager. I am afraid that from this point of view the benefit will not be great.

Duray Criticizes Hungary's Policy on Slovakia

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[FBIS Translated Text] The chairman [Miklos Duray] of Slovakia's ethnic Hungarian Coexistence movement has been criticizing Hungarian foreign policy in SZABAD UJSAG, which appears in Bratislava. Duray is of the view that Hungarian foreign policy has for a good many decades now, for well nigh a century, been consistently performing badly. The ethnic Hungarian politician of Slovakia sees the reason for this to be partly the lack of preparation and partly a lack of imagination. According to Duray, the present Hungarian Government has not learned its stuff well on Slovakia. The chairman of the Coexistence movement considers that the Hungarian text of the draft basic treaty between the two countries' does not provide any opportunity for maneuver or for any stepping back that would represent a compromise.

Ethnic Hungarians View Government Program

95CH0156A Bratislava UJ SZO in Hungarian 1 Feb 95 pp 1, 4

[Interviews with Bela Bugar, Miklos Duray, and Laszlo A. Nagy, chairmen of the Hungarian Christian Democratic Movement, Coexistence Political Movement, and Hungarian Civic Party of Slovakia, respectively, by Sandor Neszmeri; place and date not given: "Government Program Versus Budapest Statement—The Chairmen of Slovakia's Hungarian Parties Are Skeptical About the Government Program"]

[FBIS Translated Text] *The past eight to 10 days have been rather eventful. On 20 January, the parliament approved the government program that Prime Minister Vladimir Meciar had previously taken along to Brussels as a token of Slovakia's intentions to participate in European and transatlantic integration. Meciar then flew to Budapest, where on 25 January, he and Hungarian Prime Minister Gyula Horn set 21 March 1995 as the date for signing a basic agreement between the two countries. In between, on 23 and 24 January, 17 ethnic Hungarian members of the Slovak parliament were received in Budapest by, among others, Zoltan Gal, speaker of the National Assembly; President Arpad Goncz; Foreign Minister Laszlo Kovacs; and Prime Minister Gyula Horn. We interviewed the chairmen of our three parliamentary parties about this chain of events.*

New Defense Doctrine Can Be Expected

[Neszmeri] Ethnic Hungarian members of parliament are not supporting the government's program—which means that the MKDM [Hungarian Christian Democratic Movement;in Slovak, MKDH] parliamentary group is not supporting it either. How does Bela Bugar, chairman of the MKDM, explain why this program is being rejected so unequivocally?

[Bugar] Aside from the contradictions in the program's economic, social and other parts, also because of the part dealing with minorities, because this government program clearly sets as its objective something that up to now has been prepared only under cover, so to speak: namely, the development of a nation-state.

Admittedly, the government program has a separate part dealing with minorities, and it dwells on our status in its other chapters as well; but in most cases, it makes our legal status contingent on the principle of civic loyalty, thereby indirectly accusing us of being disloyal. Indeed, the government program stresses loyalty only in conjunction with minorities! This loyalty appears as a condition that must be met to obtain subsidies for minority cultures—which in my opinion is almost ludicrous. I cannot even imagine who will determine whether, and in what way, a folk culture and the institution fostering it are loyal.

Instead of developing the network of Hungarian schools, the government program is pushing for the introduction of bilingual instruction. And something else: The program declares that Slovakia has no external enemies, yet the government wants to set up military units to be known as Domobrana, or Home Guard. It was revealed in the course of the debate that these are to be regional paramilitary groups. But the debate also revealed that the governing coalition fears social and ethnic tensions in the coming days. If there is no external enemy, is this paramilitary organization being established to suppress the mentioned tensions? Or perhaps specifically against us?

[Neszmeri] Mr. Chairman, I suspect that many people have underestimated the significance of this aspect, for the Slovak parliament approved the defense and security doctrine only last year, on the basis of a consensus. It had been drafted by the Meciar government, and introduced in the parliament by the Moravcik government. During the previous electoral cycle, you had been sitting specifically on that very parliamentary committee. That is why I am asking you now: What need is there to revise and rewrite the doctrine?

[Bugar] It is indeed true that the defense and security doctrine was approved on the basis of a consensus. But it is equally true that Jan Slota, representing the Slovak National Party on the committee, clung all along to a dissenting opinion, even then. In the situation that has evolved following the elections, with the National Party joining the governing coalition and holding the defense portfolio to boot, their concept is certain to prevail, as the program itself indicates. And this concept is nothing other than strict commitment to the Slovak nation.

Accordingly, being a Slovak, rather than being well trained and honest, will be the basic qualification, requirement, in the Army, and probably in the security and other forces as well. Mr. Slota has expressed this view repeatedly. Consequently, the new doctrine they intend to introduce will start out from commitment to the Slovak nation rather than to the country. And that could easily be a source of new conflicts also from the minorities' point of view.

[Neszmeri] Between the adoption of the government program and Mr. Meciar's visit, you also happened to be in Budapest. Did you pass on your comments to the partners with whom you held talks, and how did they respond to your standpoint?

[Bugar] We met with constitutional dignitaries and with the leaders of parliamentary groups as well. It was perceptible that they were relatively well informed about the situation in Slovakia, but they all told us that our information was very valuable to them; it objectivized the picture they had formed after the adoption of the government program. The president, the prime minister, the foreign minister—all of them told us that they would certainly take our demands into considerationin the basic agreement. And according to the leaders of the parliamentary groups, there was a consensus that Hungary would sign a basic agreement only if it was acceptable to us as well. We learned that the government and the Ministry of Foreign Affairs would even be willing to sign the basic agreement, together with a separate document dealing with the status of the minorities. But both documents would be signed at the same time, and the violation of either document would simultaneously mean the violation of both.

As far as we are concerned, that would be acceptable to us as well. But the question is: What will be in those documents? Because that is something we did not discuss.

In the light of all this, I think, the optimism surrounding the summit meeting was slightly exaggerated. There is some fudging, a certain amount of deception here. In conjunction with the government program, the ethnic Hungarian members of parliament introduced motions that would have obliged Slovakia to comply with the recommendations of the Council of Europe and to ratify other European documents; but the parliament rejected our motions. In Budapest, however, Prime Minister Meciar committed himself to all our motions. But it is an entirely different matter that we know the prime minister for the dichotomy between his words and his deeds.

On this basis, I fear, a basic agreement that would be acceptable to us as well is unlikely to emerge.

A National Socialist Nation-State?

[Neszmeri] How would Miklos Duray, Coexistence chairman, characterize the Slovak government program from the viewpoint of minority policy?

[Duray] First of all, I have to establish that this is the first government program since 1948 to frankly admit that they want to develop Slovakia into a nation-state. From the viewpoint of Slovakia's ethnic Hungarians—that is: reminiscent mostly of the period 1945-1948, when they openly wanted to convert Czechoslovakia into a Slavic state. Only such determination is able to explain the entire government program.

The objective can be realized only in a strongly centralized state with limited democracy. Although the government program does not say that Slovakia is a one-nation state, there were references to this in the parliamentary debate and in the committees—for instance, when Minister of Culture Hudec declared that in Slovakia there was only Slovak culture; or Prime Minister Vladimir Meciar's comment that there were no Hungarian parties in the Slovak parliament, only Slovak parties supported by Hungarian-speaking citizens. That in itself is enough to fill us with fear. However, in the government program one is able to find, also, the means by which the objectives can be achieved. I have in mind mainly the organization of alternative schools, and also the proposed official-language bill.

In the light of this, perhaps, we might be misinterpreting the threat we sense from the alternative schools. At present we believe that these will be Hungarian schools in which a few subjects will be taught in Slovak. But being familiar with the official version of the language bill drafted by Matica Slovenska, and bearing in mind Vladimir Meciar's closing words—he objected that we wanted to prevent children in Slovak schools from also learning in Hungarian—we can expect the complete closure of our school system, and an "offer" that our children in Slovak schools might get one or two hours of Hungarian instruction per week.

[Neszmeri] The parliamentary groups of the Hungarian coalition (Coexistence and the MPP [Hungarian Civic Party; in Slovak, MOS]) and of the MKDM introduced a 13-point joint motion urging the ratification of international agreements that would facilitate accession to European organizations. But not even the Slovak opposition members of parliament supported this motion. From this point of view, how true can the part of the government program that declares Slovakia's European orientation be?

[Duray] There is no reason to doubt the government's intention. Slovakia's inclusion in the European framework can produce only advantages for Slovakia. However, after reading the government program, a comparison of the intention with the content suggests to me that the government wants to "sell" to Western Europe a nation-state reminiscent of National Socialism. It is sad and thought-provoking that not even the members of parliament of the previous governing coalition—it governed, with our support, until March of last year and now forms the opposition—supported our motions urging fulfillment of the promises made to the Council of Europe, or even our motions to ratify the European Charter of Local Government, the European Charter for Regional or Minority Languages, or even the European Social Charter. That is indeed a very serious signal. It means that the Slovak opposition is in opposition not on principle but merely for reasons of power. In Slovakia, only the Hungarian Coalition's members of parliament are engaging in politics on principle.

[Neszmeri] You have behind you a series of discussions that may be termed historical. Two weeks ago you met here in Slovakia with the chairmen of Hungary's three opposition parties. And now you have held talks in Budapest with the parties of the governing coalition and Hungary's leaders, respectively. How do you assess this series of events?

[Duray] All such talks can be evaluated only from a distance in time, because the immediate impressions might be misleading. I regard the joint visit to Slovakia by Hungary's opposition parties as very important from the viewpoint of universal Hungarian politics, because it means the confirmation of a civil-conservative and nationalist-liberal policy that could be of vital interest to us. And our Budapest talks can be termed important from the viewpoint of practical politics, for we were able to provide direct information about the Slovak government's program and the message it contains for us, while at the same time we were also able to adopt a standpoint on this issue. Furthermore, all this—in an unplanned manner—happened to tie in with Vladimir Meciar's Budapest visit.

For the time being it is impossible to tell how the briefings we provided were reflected in the talks between Gyula Horn and the Slovak prime minister, because the news agency reports reflect only the views of the respective sides. The climate in which the talks were held and what actual results they produced will be known only at the signing of the announced basic agreement. I personally am very skeptical about the 21 March date. There are so many open and unsettled questions between the two countries that I think it would be impossible to settle all of them in two months. Or, if the efforts to settle them were to succeed, Vladimir Meciar would find himself in conflict with his own government program.

A Government Program Against Minorities

[Neszmeri] The Slovak Government's program outlines a minority policy that has been questioned on several counts. What does Laszlo A. Nagy, chairman of the Hungarian Civic Party, think? Will it be feasible to get into Europe with such ideas?

[Nagy] A qualitative change has occurred in the Slovak Government's policy regarding the status of minorities. Since 1948, never has a government program in either Czechoslovakia or Slovakia formulated measures so unfriendly toward minorities. To begin with, the government program speaks of multilingual regions, rather than of multiethnic areas—whereby, indirectly, it actually questions the very existence of ethnic Hungarians and other minorities in Slovakia. Another qualitative change is that the moves to date for abolishing the Hungarian school system had been planned in great secrecy, whereas now the government is openly announcing a program for the introduction of bilingual instruction, in the guise of alternative instruction. An indication of a qualitative change is also the fact that the government is planning to redraw territorial administrative boundaries in such a way that in none of the krajs would the proportion of ethnic Hungarians be high enough to allow the use of Hungarian as an official language. The policy on agricultural subsidies likewise discriminates against this ethnic minority: Instead of aiding farm production in the fertile southern *okreses*, it would support the so-called piedmont farms; and it talks of providing farm subsidies systematically.

I believe it is extremely dangerous that this antagonism toward minorities manifests itself in the form of a government program. From a distance of merely one week, I suspect the dramatic situation inherent in certain points of the government program is not yet being perceived in either Slovakia or Hungary. Therefore, in my opinion, the press and public figures will both have to dwell at length on this government program, to explain its possible consequences. I think that it will be possible to get into Europe with a government program of this type, if the ethnic Hungarian and other domestic opposition fails to call due attention to the dangers inherent in the program. And here I have in mind calling these dangers to the attention of not just the politicians in Hungary, but the general public in the other neighboring countries as well.

[Neszmeri] You mentioned the role that the press and public life must play in spreading awareness of the potential dangers. The only trouble here is that the government program is not very friendly to the voluntary social and cultural organizations, or to the press, either. The program is rather discriminatory in its approach to providing subsidies for them. In your opinion, how acceptable are the government's intentions in this respect?

[Nagy] I do not recall any government in recent years ever making its subsidies for culture and the press contingent on how loyal they were. I consider it outrageous that loyalty appears as the basic criterion of subsidies for an ethnic group's culture or its press, because in practice this means that according to the concept of Slovak cultural policy, a Hungarian publication, theater of cultural association, can obtain a state subsidy only if it is subservient to the regime envisaged by the government. In other words, according to this concept, the ethnic Hungarian press and culture would have to sink to the level of political prostitution in order to survive.

I would like to call attention to the fact that also Slovak cultural organizations are getting state subsidies—for instance, Matica Slovenska. Its subsidy is being increased by 10 percent this year, but the government does not have similar expectations regarding ourselves. Let there be no misunderstanding. I do not mind that Matica Slovenska is getting a larger subsidy this year. What I am objecting to is merely the fact that the minorities will be getting state subsidies on the basis of political criteria, rather than on the basis of the needs of culture's internal development. Also outrageous, in my opinion, is that according to the government program, only those Hungarian-language newspapers that are mutants of the various Slovak papers will be receiving subsidies, and that the government intends to start a new daily, or perhaps translate an existing Slovak newspaper into Hungarian. This press policy has nothing in common with developing a free and independent press, the fourth estate in democratic societies.

[Neszmeri] You mentioned that these phenomena must be brought to the attention of international public opinion, and that politicians in neighboring countries, including Hungary, must be made aware of them. At the invitation of the Hungarian parliament, you were in Budapest immediately after the adoption of the government's program. To what extent were you able to take advantage of the opportunity the dialog provided to call attention to the contradictions in the government program, and what was the reaction?

[Nagy] It was by accident that the adoption of the government program, our trip, and Prime Minister Vladimir Meciar's Budapest visit followed one another in quick succession, but these events could not have developed more fortuitously. We were able to provide fresh information to Hungary's top leadership regarding the domestic political situation in Slovakia. We were also able to express our opinion on issues affecting both countries, and to explain what dramatic changes could occur in Slovakia in the wake of the approved government program. I am pleased to say that we met with understanding everywhere, and encountered keen interest among the governing coalition's leading politicians as well as among the opposition members of the parliament.

I appreciate particularly our audience with President Arpad Goncz, in an almost intimate and quiet setting. His sincere interest and concern were perceptible throughout the audience. My experience with the president, and also with the prime minister and the speaker of the National Assembly, was—and they said so—that they did not wish to act in a way that would be detrimental to our interests; at the same time, they inquired about ways that tension between the two countries could be reduced. And the prime minister also sought the trust of the Hungarian parties in Slovakia. He asked us to trust him to bear in mind during the bilateral negotiations not only the interests of Hungary but also those of the ethnic Hungarians living beyond Hungary's borders. He also expressed the need for continual consultations.

I would like to emphasize that, besides the minority issue, we also brought up, in all our talks, other opportunities for cooperation between the two countries, economic and trade relations, the importance of regional and cross-border cooperation, and cultural relations. In most cases we agreed that the expansion of relations is necessary for both countries and both peoples.

[Neszmeri] After his Budapest visit, Mr. Meciar issued a very optimistic statement about Slovak-Hungarian relations and the prospects of signing a basic agreement. In your opinion, is the situation really so optimistic?

[Nagy] First a reflection on optimism: We are familiar with Mr. Meciar's optimistic statements and promises. And we also know that in most cases there are wide gaps between his statements and promises on the one hand, and the facts and his actions on the other. It would be necessary to clarify when Mr. Meciar was sincere—whether at the moment of introducing the government program in the parliament or last Wednesday in Budapest—because diametrically opposed statements were made within those four days. It is an entirely different matter that Mr. Meciar has sufficient popularity, power and knowledge to convince his [coalition] partners about the necessity of what was said in Budapest; and to fight his battles so that, in sharp contrast with the government program, an acceptable basic agreement may be concluded between the two countries. But first Mr. Meciar would have to make clear in his own mind what exactly he wants. If he possesses the political will, a basic agreement representing a real breakthrough might be concluded. I would like to believe in this but am afraid that specifically the political will for it will be lacking

KDH Leader Carnogursky Views Country's Future

AU0903121195 Prague DENNI TELEGRAF in Czech 4 Mar 95 p 5

[Interview with KDH Chairman Jan Carnogursky by Vit Drbal, Tomas Chalupa, and Peter Schutz; place and date not given: "Slovakia Is a 'Nonstandard' Country With a 'Nonstandard' History"]

[FBIS Translated Excerpt] [Passage omitted] [DENNI TELEGRAF] How do you view the fact that parties of a nonstandard type dominate in Slovakia, in contrast to the other countries of Central Europe?

[Carnogursky] In my opinion, this is due to Slovakia being a nonstandard country. Slovakia is the youngest state in this region and we have also had a "nonstandard" history. In a situation of the postcommunist countries' transformation, the combination of "nonstandard" history, the country's economic structure, and Slovakia's location in the center of this region may account for the Slovak political scene being the way it is.

[DENNI TELEGRAF] Do you think that the domination or, at the very least, equal strength of nonstandard forces might, in the long term but also in the short term, negatively influence Slovakia's chances of admission into the EU?

[Carnogursky] Life and, above all, the future are always full of problems. We will have to come to terms with those problems. Nonetheless, regarding the situation in Slovakia I see as positive the fact that the postcommunist party suffered defeat here, unlike in Poland or

Hungary, for example. In Slovakia it won even fewer votes than in the Czech Republic.

[DENNI TELEGRAF] The Christian Democratic Movement [KDH] is warning against the possibility of a nondemocratic development in Slovakia after the last elections. How acute do you consider this danger now?

[Carnogursky] I do not like to speak in categories of "which dangers are looming in the future." Every future is full of all kinds of dangers and it is up to people and political parties to choose ways of avoiding them. The KDH concentrates on resistance to certain intentions of the Movement for a Democratic Slovakia [HZDS] or the present government coalition, and even on organizing this resistance. We do not specialize in depicting more remote dangers that are at this moment only hypothetical. However, the danger of an anticonstitutional development in Slovakia exists in the intentions and statements of some representatives of the present government coalition. However, I regard the likelihood of such a development taking place as being rather small. The likelihood, for example, of the present government coalition expelling Democratic Union deputies from parliament or cutting short the presidential term. For the time being, it lacks the constitutional majority in parliament for that.

[DENNI TELEGRAF] How do you view the Meciar cabinet's foreign political activities in relation to the West but, first and foremost, to the East?

[Carnogursky] The Russian Federation is, and will continue to be, an important economic, political, and cultural partner for Slovakia and the Central European countries. Prime Minister Chernomyrdin's visit served as an impetus for Slovak-Russian relations.

[DENNI TELEGRAF] Do you think that Slovakia is seeking above-standard or more intensive relations with Russia than the other countries of the Visegrad group?

[Carnogursky] In my opinion, Slovakia has the prerequisites for having better relations with Russia than any other country of the "Visegrad Four." Therein I see an advantage for Slovakia, rather than a disadvantage. Slovakia's advantage rests primarily in the fact that its relations with Russia are not historically burdened. We do not have in our collective memory any "Katyn forest" or the 18th century division of Poland as the Poles do, or Russia's "assistance" to the Habsburgs in suppressing the 1848 uprising in Hungary. As far as the Czech Republic is concerned, I do not understand the verbal anti-Russian tones in the Czech press because, in my opinion, the Czech Republic does not have the least reason for such attacks on Russia. But that is the Czech Republic's business. Slovakia does not have burdened relations with either Russia or the West, which is the best prerequisite for maintaining such good relations at present and in the future.

[DENNI TELEGRAF] Do you think, then, that Slovakia stands to benefit from its "warmer" relations with Russia?

[Carnogursky] I consider good relations between Slovakia and Russia beneficial. It will be good if the other "Visegrad Four" countries also achieve such relations, but Slovakia cannot interfere in this.

[DENNI TELEGRAF] Do you not think that, in view of Russia's known positions, these relations might jeopardize Slovakia's entry into European structures and NATO?

[Carnogursky] Entry into the EU and, in particular, NATO is connected with the lack of these structures' clearly crystallized attitude toward such entry. Should this entry be realized, it will be, insofar as possible, the entry by a bloc of these countries, first and foremost by the "Visegrad Four" countries. For this reason Slovakia has an evident interest in maintaining as much as possible a uniform political line of these countries. I do not think that Slovakia could influence NATO's or Russia's attitude toward this issue in any significant manner.

[DENNI TELEGRAF] Mr. Chairman, how do you assess the new development in Hungarian-Slovak relations, initiated by Prime Minister Meciar's surprising visit to Budapest?

[Carnogursky] The KDH welcomes this initiative of Prime Minister Meciar's. Incidentally, let me say that if I came to an agreement with Hungary on the conclusion of a treaty applying valid European norms to the standing of ethnic minorities, many HZDS and Slovak National Party deputies would probably brand me as "traitor of the nation." I consider that which has been announced about the whole matter positive.

[DENNI TELEGRAF] To what do you ascribe a certain discrepancy between the foreign political activities and declarations of Meciar's cabinet and its domestic activities? Such a development is untenable in the long run.

[Carnogursky] You are right in that such a [contradictory] development can be observed. But this is not the KDH's problem. We will monitor this development and will give support to positive elements, such as the "Budapest initiative," while targeting our criticism on the negative ones. We will see how Meciar will get out of it. [passage omitted]

[DENNI TELEGRAF] According to your own words, the process of becoming independent was simple and Slovakia has coped with it well. Does this not mean that the KDH's fears of a rapid partition of the federation were erroneous and that, in the final analysis, Vladimir Meciar was right?

[Carnogursky] Slovakia has coped well with partition also because the HZDS broke up during the previous electoral term, under the burden of problems connected partly with the federation's partition, and because the HZDS government was replaced by a new coalition government, the Moravcik government. This government gave Slovakia nine months of peace and brought thus its development forward. In some important aspects, it has managed to score economic results that are better than those of the Czech Republic. These results were achieved also thanks to the pragmatic coalition including the KDH and the Party of the Democratic Left. Should serious political problems arise in Slovakia in the near future, problems with which the present coalition and, above all, the HZDS will be unable to deal, it will be up to the KDH and the other opposition parties and political groups to simply "prevent Slovakia from falling" again, and bring it ahead. [passage omitted]

Deputy Prime Minister Comments on 1995 Budget

LD0803144395 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 8 Mar 95

[Interview with Sergej Kozlik, deputy prime minister and finance minister, by correspondents Ludmila Bulakova and Magda Pospisilova on 8 March; place not given—recorded]

[FBIS Translated Excerpt] [Announcer] We will now return to the draft budget for 1995, which was passed yesterday. I should like to add that it was supported by 83 deputies in the National Council. Fifty-three deputies voted against. Ludmila Bulakova and Magda Pospisilova interviewed Sergej Kozlik, deputy prime minister and minister of finance, on some of the opposition's objections.

[Correspondent] In the parliamentary debate, many deputies, even those from the coalition, designated the budget as risky, even though at the same time they said that the government will seek means on how to do away with these risks throughout the year. What do you personally consider the weakest link in the state budget for this year, and what do you consider the greatest risk?

[Kozlik] Naturally, covering the needs of the state always depends on income. So the state budget income [words indistinct] is always the most risky. That means we assume that the measures within the state budget are not the only ones and that soon, in the middle of March, we may come up with another set of measures to increase financial discipline, but these are the so-called stabilization measures. On the other hand, we also want to introduce developmental measures, which will be entered in tax law amendments or in new law amendments, which should also motivate the development of private investments.

[Correspondent] The 5-percent growth in the gross domestic product [GDP] is considered by many experts as too optimistic. Some prognoses envisage the growth at 2-4 percent. However, in the economy of the transformation period, the growth in GDP can be hard to predict. Where does your optimism of being able to achieve the 5 percent stem from?

[Kozlik] First of all, I should like to say something about the difference between 2 and 5 percent of the GDP growth, which is the minimum difference. If the opposition and the government coalition argue about whether this is going to be so—well, Mr. Filkus, as an opposition representative, proposed 3 percent of GDP growth. [passage omitted including indistinct portion] We, for the government coalition, say up to 5 percent. This is the minimum difference, which corresponds to a certain trend of advanced or stabilized countries and indicates that we are very close to their approaches. Therefore, I would not like to dramatize this difference. On the other hand, our prerequisites for growth in the GDP stemmed not only from the trend graphs of 1993-94 and not only from the prerequisites we anchored in the rules of the state budget, but also from boom research, from contacts with the Association of Businessmen and Employers. We also know how our largest firms envisage further development of production and sales and other parameters. [passage omitted]

[Correspondent] During the year, you are planning amendments to the tax laws. If the development of the budget is unfavorable, they could bring unpleasant surprise to honest taxpayers. Will your last resort be increasing taxes?

[Kozlik] Certainly not. Basically, we do not want to increase the tax burden. We have said that the current level of taxes is the maximum. [passage omitted]

Federation of Hungarians Denies Irregularities

LD0803210095 Budapest Duna TV in Hungarian 1700 GMT 8 Mar 95

[FBIS Translated Excerpt] The collective declaration of Hungarian intellectuals—some living abroad, others here in Hungary—regarding the activities of the World Federation of Hungarians [MVSZ] was published in the morning papers. [passage omitted]

[Begin recording] [Unidentified correspondent] According to the declaration, there is not a trace of democracy in the MVSZ. On the contrary, the cult of personality has been revived. Although MVSZ Secretary General Istvan Bakos rejected these accusations, he agreed with the criticism that the work of the organization's domestic wing is very poor. [passage omitted]

The author of the declaration gives a long list of impermissable financial irregularities, citing as an example the MVSZ's rejection of the Hungarian minority organizations' requests for financial help. Bakos said the MVSZ received 185 million forints from the budget for 1995.

[Bakos] However, we receive more than 10 times that from the Hungarians living abroad through our charity activities and we distribute these sums. [passage omitted]

[MVSZ Chairman Sandor Csoori] Hungarians living in the West are offended—in a sense naturally—that we, the MVSZ, have not organized, in the West, such lobbies, which could have helped the Hungarian cause. [passage omitted] [end recording]

Minority Rights Said Key to Basic Treaties

LD0903094695 Budapest Kossuth Radio Network in Hungarian 0800 GMT 9 Mar 95

[FBIS Translated Text] The Hungarian state secretary responsible for matters of Hungarians abroad has confirmed that the government will only sign the basic treaties with Romania and Slovakia if minority rights are appropriately guaranteed. Speaking to Hungarian Television, Csaba Tabajdi stressed that the basic treaties would complete a confidence-building process on the border issue, but would only begin with the minority issue. The essence of the process would be that Hungary could monitor how things work out regarding the minority issue as soon as the document is signed.

At the same time, Tabajdi expressed his regret over the fact that the issue of the basic treaty led to a domestic political dispute, while the public was not even interested in the matter.

Miklos Csapodi, from the opposition, has questioned the need for such agreements, because Hungary does not have serious conflicts with its neighbors. The MDF [Hungarian Democratic Forum] deputy does not see any chance for the conclusion of the Romanian-Hungarian and the Slovak-Hungarian basic treaties in March.

NBH Releases Details of Terror, Drug Cases

AU0903120795 Budapest MAGYAR HIRLAP in Hungarian 8 Mar 95 p 4

[Article by "L.K.": "The Secret Service's No-Longer-Secret Actions—Guns and Missiles in the Company's Store"]

[FBIS Translated Text] Illegal trading in red mercury, domestic production of raw materials for drugs, cheating the COCOM [Coordinating Committee for Multilateral Export Control] list, arms smuggling, bombings, and terrorist threats: headlines from the activities of the National Security Office [NBH], which recently celebrated its fifth birthday. The secret services do not usually like talking about their successful operations, but we have now been informed about some cases on the occasion of the anniversary.

Economic security is one of the secret service's important areas of activity: They have acted to prevent the export of COCOM-list products and have also uncovered an arms-smuggling company. Russia attempted to acquire the latest-technology computer equipment for its space research program through Hungary. However, the NBH managed to stop them from buying Digital Equipment Corporation computers via Hungary.

Criminal proceedings were started against a Hungarian limited-liability company on the charge of illegal arms-smuggling, which was filed mainly on the basis of information from the secret service. The company made contracts with the commanders of several Soviet units leaving Hungary to buy, as waste material, military technological equipment left in the barracks. Through this, they got hold of dozens of undamaged artillery shells, which were transported to a rural company site. In fact, rockets for multiple-rocket launchers were also stored there—one of which exploded during repairs, causing a serious accident. At the same time, the company had a contract with Serbia, which led investigators to conclude that it may have been intending to deliver this artillery equipment to Serbia through middlemen. The company was also in contact with former Soviet citizens and, with their participation, also dealt with the sale of other products that require licensing, such as poisons. During a search of the company's premises were found 34 training missiles and 52 warheads to fit these; 100 helicopter-training bombs; and six antitank guns, which could have been made operational with minor repairs.

Two years ago, the NBH investigated suspicious financial transactions originating in Africa. Nigerian businessmen visited several Hungarian companies, offering suspiciously favorable deals. One of their methods was to announce intentions to buy, showing a bank-guarantee certificate—which later proved to be false. It only came to light after the purchases that the money-transfer certificates were also false. Initially, the NBH suspected the action of a foreign secret service, or money-laundering. However, when they made enquiries at foreign partner-organizations, they learned that similar financial maneuvers had also been attempted in other countries. Rather than foreign secret service actions or money-laundering, however, these turned out to be simple fraud cases.

In recent times, the NBH's antiterrorist experts have also had more to do. In December 1991, an attack was made on a bus carrying emigrating Russian Jews in Budapest; and in 1994 three public buildings were damaged by persons still unknown in Budapest and Szeged [on the Serbian border], probably with professionally made bombs. The secret service continues to investigate both cases.

An increasing number of people have been threatening public buildings with bomb attacks, but fortunately, no explosives have been found in any of the cases. However, finding the unknown telephone callers takes up many of the resources, although this is unsuccessful in many cases. Nevertheless, they did manage to find the man who demanded 2 million forints from the leaders of the Rakospalota Novenyolajgyar [Vegetable Oil Factory], threatening to detonate three bombs placed in the factory. The service's men finally managed to identify the telephone box and the man confessed.

Similarly, the person who demanded 3 million forints and 40,000 German marks on the telephone from the chairman and general director of the Danubius Hotel and Thermal Bath Inc. was also caught. After making the demand, he sent a letter threatening to blow up three hotels on Margaret Island [in Budapest] if he did not receive the money. They seemingly met the extortionist's demands, but the movements of the two taxi drivers who acted as middlemen were continuously watched. Eventually, a man was caught who had only been hired to receive the money, but he led the authorities to the real extortionist. In fact, no explosives or materials to make bombs were found at his place.

Action against extreme political groups is also one of the NBH's tasks. They have already taken notice of a few political organizations in the past five years, including the World National Popular Rule Party and the Hungarian National Front [MNA]. For example, the MNA disseminated fascist propaganda material received from abroad and self-adhesive stickers depicting swastikas. The offenders were found and they confessed to their deeds. Recently, persons unknown painted anti-Semitic slogans on house walls in the busiest districts of Szombathely [western Hungary]. The NBH passed its information on to the police. Two offenders were soon caught.

NBH experts believe that the extreme right wing and neofascist tendencies have been continuing to gain in strength recently. This is supported by the fact that various government bodies are also receiving—naturally, always anonymously—threatening letters. These often contain slander and threats against various national or ethnic groups. At the same time, the number of letters threatening terrorist acts is increasing, connected to some major event or national day and often triggered by an economic measure. In addition to this, state leaders, local government officials, public prosecutors, and judges also frequently receive threatening letters that, in the majority of cases, are sufficient to instill fear in the recipient.

The NBH keeps a watch on these letters and telephone calls, and according to the experts' findings, certain people have been "operating" for years. The authors can be recognized on the basis of handwriting analysis, even if they often cannot be identified. In the majority of cases, the letter writer or the caller presumably suffers from some pathological complaint or possibly a mental disorder.

Prime Minister on Cabinet Formation, Policies

WS0903084595 Warsaw POLITYKA in Polish 11 Mar 95 p 3

[Interview with Polish Prime Minister Jozef Oleksy by Janina Paradowska and Wieslaw Wladyka; place and date not given: "A Self-Sacrificing Prime Minister"]

[FBIS Translated Excerpt] [POLITYKA] Mr. Prime Minister, how long will the cabinet of Jozef Oleksy govern?

[Oleksy] I do not know. I have not been concerned about this side of things. I must admit, though, that I am hoping to govern for a longer period of time. I am quite serious about what I am saying—that the implementation of reforms, first of all systemic ones, should be continued. This calls for time, because a few weeks will not be enough. All one can do over such a period is to make a few management and administrative decisions. I will certainly begin doing what should be done. However, will I complete my work? God only knows.

[POLITYKA] It looks as though you stand a chance of running this government until at least the presidential elections.

[Oleksy] It is really difficult to predict the future. There are so many unknowns and variables, as well as dangers, that it would be unreasonable for me to assume right now that this will really happen. One should perform his duties, as if one were to govern forever. Only then can governing make sense and be appreciated by one's successors in office.

[POLITYKA] Does it not irritate you that right at the beginning the president—with his words and actions—morally harmed or even humiliated this government?

[Oleksy] I do not feel that way. I would more readily agree with the opinion that the coalition's nerves turned out to be too weak when the president was attacking the previous government. Maybe it would have been advisable to give him a chance to follow through on some of his threats. We did not have enough patience. As a result, it looks as though he stamped his foot and achieved what he wanted.

[POLITYKA] The Democratic Left Alliance [SLD] also achieved what it wanted.

[Oleksy] At this point various processes overlapped: The dispute within the coalition and the opposition's attack on Prime Minister Pawlak and the policy of the Polish Peasant Party [PSL] in the government. Thus, Lech Walesa chose this special moment, when his severe criticism could yield results. Unfortunately, as a result, our priorities changed quite radically. What became most important at that time were problems within the coalition, not the problem of thwarting the president's unconstitutional plans, the latter being an extremely vital issue for Polish democracy.

[POLITYKA] Could some other scenario be put into effect, then?

[Oleksy] Another possibility involved maintaining the Pawlak government; the first option could be chosen, which would have considerably strengthened the government, even though many of my colleagues are of a different opinion. Then all attention would have been focused on the presidential campaign. It would have been easier to discern the priority of the policies of our coalition and what this dispute was all about. However, things happened much faster. [passage omitted]

[POLITYKA] There were certainly some breakthrough moments while your government was being formed, were there not?

[Oleksy] The real breakthrough were the talks with Waldemar Pawlak and other PSL leaders on appointments to ministerial posts and on the internal structure of the government. These talks were difficult, they had to end in an agreement to make concrete appointments. Our coalition partner has its own map of personal sympathies and antipathies. Several SLD candidates that I wanted to see in the future government, such as Marek Borowski and Wieslaw Kaczmarek, were accepted rather unfavorably. On the other hand, there appeared the candidacies of Leslaw Podkanski and Michal Strak. In addition, there was no approval for the candidacy of Wojciech Okonski, who was a reason for the dispute between the Walesa and Pawlak which began last fall; then this particular candidate appeared as an alleged "protege" of the SLD prime minister. Most people in PSL still think that the government of their prime minister was forced to step down because of the dispute over Okonski.

I will not conceal the fact that my concept of the Oleksy government, made up of representatives of a wide political spectrum, favorably influenced the course of these talks. Without PSL's support, it would not have been possible to form such a government, but the outline of understanding did become visible. From that moment on, the talks with the coalition partner were easier. Incidentally, PSL colleagues behaved with dignity all along and they tried to understand the problems I came across while forming the government.

[POLITYKA] If Okonski was so difficult to accept, why did he make it into the government after all?

[Oleksy] There were six candidates, their names are generally known. I chose Okonski, who has administrative experience—he was a deputy minister. I told him clearly that the president's recommendation does nothing to change my requirements of loyalty. He accepted that and said that if he felt uncomfortable, he would resign. It so happens that the president, fighting so valiantly for "his" ministries, has a very simplistic view of how they function. Lech Walesa seems to think that if he positions his own candidates there he will be in full control. I believe he also takes on joint responsibility for those ministries.

[POLITYKA] Grzegorz Kolodko also proved to be very controversial.

[Oleksy] I am fully aware of his skills and character. He undoubtedly has immense knowledge of macroeconomic issues, he is not a novice in international relations, and he is a very hard worker. Let us not forget that over the last year his name was a trademark of the economic growth strategy and that he established very efficient task forces.

[POLITYKA] There was also the problem of the deputy prime ministers. Initially, there was to be only one, from PSL, but finally it came to three.

[Oleksy] That is another intricate and complex matter. I feel most sorry for the fact that as a result of the jigsaw puzzle with the deputy prime ministers, Wlodzimierz Cimoszewicz left the government. Perhaps he was right in refusing to be appointed to a lower position. I am all the more sorry as Cimoszewicz looked after the Ministry of Justice very well and began to craft an individual working style—that of an independent state official. Yet I had my hands tied. I could have had five deputy prime ministers instead of three very shortly.

[POLITYKA] How would you score your level of contentment with the current cabinet?

[Oleksy] At around..., below 80 percent.

[POLITYKA] This is now your cabinet, one way or the other you are its father. But will not your children scatter in all directions and begin, as we have recently witnessed, to trip each other up, stick out their tongues and make faces at each other, and snitch to the president?

[Oleksy] I have told all the ministers loudly and clearly: You are to cooperate with the Sejm and Senate, with the president, and with other state authorities. You are to inform and consult them; do anything they ask of you. That is how it is to be. You are a cabinet that forms an entity and speaks in one voice. You cannot argue with each other in public. Besides, for the sake of order, you are subordinate to me and everything has to be consulted with me.

[POLITYKA] How will Oleksy's government be different from Pawlak's government? Your Sejm report was so general that it is difficult to say which policies will be continued and what will change. Can you say what the true priorities of this government are to be?

[Oleksy] There are five, to put it simply. The first is to maintain economic growth by fighting inflation, observing fiscal discipline, and encouraging foreign and domestic investment. Secondly, a reform of social policy. I do not regard this as a fifth wheel to a cart, but as an important precondition for progress. It is not my intention to economize on social spending, I would rather allocate funds more fairly. The stabilization of the condition of old age pensioners is of utmost importance in this context. Changes in the pension system Deputy Prime Minister Kolodko refers to will be favorable to old age pensioners of the future; we cannot, however, forget about the current pensioners. Finally, guarantees of social security for workers. A Charter of Social Guarantees is presently being developed by the Trilateral Commission. It will define a certain minimum which the state must guarantee its citizens.

[POLITYKA] Thus we may expect a new phase in the conflict, between the minister of labor and social policy and the finance minister?

[Oleksy] I have already said I will not forgive any breach of the internal rules of loyalty.

The third priority is security, not social, but the one "out in the streets." I will sternly and swiftly deal with the problems of the police. After a prompt appointment of the head of police, I expect that Minister Milczanowski and the heads of the Ministry of Internal Affairs will present a project for the most dire action to be taken, and this does not boil down only to money. Difficult talks are in store, but people must feel safer. The thief, the mugger, and the thug must begin to feel fear so that the ordinary citizen may feel safe every day.

The fourth priority is a decentralization of the state.

[POLITYKA] That priority was not on Waldemar Pawlak's list.

[Oleksy] The way I see decentralization is that the government must limit its own powers by conveying its abilities, objectives, and means to the self-government, primarily territorial. The gminas, voivodships, and, in the future, other administrative units must be authorized to do anything they can handle and want to do. A deep reform of the center should also be carried out, and I do not mean a reorganization of ministries or giving them new names. Their powers should be curbed, decisionmaking procedures simplified, and thousands of decisions on singular cases should be delegated somewhere else. This is not simple and cannot be carried out during one parliamentary term. In any case, we want to take more energetic action in this respect than any previous government.

The fifth, final, priority is a clear international strategy: a distinct "yes" to a Polish presence in European structures and NATO; acceleration of processes adapting Poland for future integration, but also laying down firm conditions for negotiations with our partners.

[POLITYKA] What major threats do you see for the new government?

[Oleksy] The greatest menace is the frustration of the people who do not have hope or cannot find a place for themselves within the changing reality. Not everyone has reason to be dissatisfied, although frustration, for various reasons, occurs in all social groups. We must thoroughly examine this issue and take action so that more people will feel happy. In our conditions, these frustrations are often fueled by successive political wars, which in themselves give ample reason for a growing sense of danger and lack of stability.

[POLITYKA] Is a new coalition crisis on the list of threats?

[Oleksy] I highly appreciate the dignity in PSL's behavior from the moment the political crisis evolved. Some PSL activists, however, continue to claim that SLD overthrew Waldemar Pawlak's cabinet and feel resentment towards us. I thus wish to be very careful in preventing the cup of bitterness to overflow and lead the coalitionists to conclude that maintaining the current system does not make sense.

[POLITYKA] What shall be the first decision Prime Minister Oleksy makes?

[Oleksy] First of all, I have to get some sleep. Seriously, I intend to begin with an overhaul of the prime minister's office, checking which belated decisions are waiting to be made or signed. The appointment of the head of police definitely falls into that category. [passage omitted]

Presidential Spokesman on Resignation of Falandysz

LD0803133995 Warsaw Radio Warszawa Network in Polish 1300 GMT 8 Mar 95

[FBIS Translated Text] The president's press spokesman, Leszek Spalinski, has told Polish radio that Lech Walesa has accepted the resignation of Lech Falandysz, the main lawyer at the Belweder Palace, secretary of state, and deputy head of the Presidential Chancellery.

[Begin Spalinski recording] In a letter directed to Minister Falandysz, the president thanked the minister for his work hitherto. This post will certainly not remain an empty and unfilled one. Personnel matters are very delicate matters, and in general they are not spoken of in public before decisions have been made. [end recording]

Falandysz forwarded his resignation a dozen or so days ago, motivating it through the impossibility of further cooperation with Mieczyslaw Wachowski, the head of the president's cabinet.

New Defense Minister Interviewed

WS0903123895 Warsaw GAZETA WYBORCZA in Polish 9 Mar 95 p 3

[Interview with Polish Defense Minister Zbigniew Wojciech Okonski by Pawel Wronski; place and date not given: "I Do Not Yet Know"]

[FBIS Translated Text] [Wronski] On Tuesday, upon entering the Ministry of National Defense [MON], you met with Prime Minister Oleksy and Head of General Staff Wilecki to discuss terms of cooperation. What was the result of that discussion?

[Okonski] We agreed there will be no conflicts and that we will cooperate.

[Wronski] Have you already discovered the reasons for the conflicts within MON?

[Okonski] So far, I have spoken with Deputy Minister Jan Kuriata and his associates. The department of arms and military infrastructure employs approximately 360 civilians and militaries. They deal with logistics and equipment supplies for the Army. There are no conflicts or differences of opinions between civilians and the military personnel who would have any impact on the top authorities.

[Wronski] What will you change in MON?

[Okonski] The civilian-military sector employs 1,700 people, the staff 1,800. In the West, the civilian sector usually employs 50 percent fewer civilians than military personnel. I do not know yet whether 1,700 is too high or whether it is just right.

[Wronski] In front of the Sejm commission you refused to answer the question of what the stance of MON will be on two draft laws on [MON] prerogatives—presidential and parliamentary.

[Okonski] We can reach a compromise on that.

[Wronski] There is no room for compromise. Either the head of staff is subordinated directly to the president in some way or another, or not.

[Okonski] I would like to hear the opinion of the authors of the presidential draft before I make any decision.

[Wronski] The former countercandidate for minister and current deputy minister, Jerzy Milewski, has a clear view on that issue.

[Okonski] I have not had time to speak with Minister Milewski because he left for an important meeting in Brussels yesterday.

[Wronski] The Army needs good laws and money. Are you capable of providing the latter?

[Okonski] The budget bill for this year has already been signed. I am optimistic, however, about the Sejm's declaration to raise the defense budget to 3 percent of GDP over the next few years. I shall also soon examine the ministry's legislative projects.

Milewski Rejects NATO Membership Restriction

LD0803194895 Warsaw Radio Warszawa Network in Polish 1800 GMT 8 Mar 95

[FBIS Translated Text] After his talks with representatives of the North Atlantic Alliance in Brussels, Deputy Defense Minister Jerzy Milewski has said that Poland wants to achieve the status of a full-fledged member of

NATO, to enter the integrated NATO command, and, if necessary, receive on Polish territory troops of other member states. Milewski added that Poland does not agree to any conditions that would restrict its possibilities to join NATO.

It is worth pointing out that Russia has recently demanded guarantees that a possible extension of NATO to countries of Central Europe would not be linked to NATO troops moving eastward or with the redeployment of nuclear weapons.

New Secret Services Commission Profiled

WS0903123495 Warsaw ZYCIE WARSZAWY in Polish 9 Mar 95 p 2

[Article by "LUZ": "The Coalition's Monopoly on Control Over the Secret Services"]

[FBIS Translated Text] Only representatives from the Democratic Left Alliance [SLD], the Polish Peasant Party, the Freedom Union, and the Union of Labor shall enter the Sejm commission for control over the secret services. In cooperation with heads of the Ministry of Internal Affairs [MSW], the Office of State Protection [UOP], and the Military Information Services [WSI], deputies completed work yesterday on a statute establishing a Secret Services Commission.

The commission will consist of a maximum of seven deputies. Candidates will be presented by heads of parliamentary clubs with a minimum of 35 members. The Presidium of the Sejm will then select the best candidates and present them for approval to the Sejm. As only four clubs are eligible, it may happen that the commission will consist of four representatives of the governing coalition and only two from the opposition. As resolutions of the Secret Services Commission are to be passed by an absolute majority vote, the coalition majority will be able to pass any decisions.

"It is difficult to separate control over secret services from political reality," said deputy head of the Sejm Commission of Internal Affairs Jerzy Dziewulski (SLD), in defense of the verdict. "Besides, the commission will not be able to carry out individual policies because strategies for the secret services are laid down by the prime minister."

Moreover, the deputies yielded to persuasions from the MSW and decided to limit the powers of the Secret Services Commission. Their prerogatives shall include, for instance, issuing opinions on draft laws, resolutions, and the majority of internal legal regulations, with the exception of operational instructions for intelligence. They will examine complaints filed against the secret services and issue opinions on the budget, but they will have no access to information on current UOP and WSI operations.

The Secret Services Commission is likely to be approved by the Sejm in March.

Poll Shows Criticism of Reform, Human Rights

WS0903095495 Warsaw RZECZPOSPOLITA in Polish 8 Mar 95 p 2

[Article by R.W.: "'Eurobarometer 1994': Moods in New Democracies; There Are a Few More Clouds"]

[FBIS Translated Text] Poles are not satisfied with the directions in which things in the country are going, nor are they satisfied with the material situation of their families and the pace of reforms. They are critical of the respect for human rights in Poland. Despite that, they accept the market economy and are not really afraid of joining the EU.

The results of the "Eurobarometer" poll, conducted for the fifth time under EU auspices late last year, indicate that moods in Poland and other countries of the region deteriorated in comparison with the previous year. "There are more clouds, but such are the costs of reforms," Eugeniusz Smilowski, director of the Pentor institute, which carried out the research in Poland, said yesterday at a news conference.

In the Wrong Direction

"The fifth anniversary of tearing down the Berlin wall and of the downfall of communism in the old style is more remembered than celebrated in many countries of Central and East Europe. (...) Many expectations dating from the 'velvet revolution' have not yet been fulfilled. However, hope has not been given up," researchers write. In Poland, approximately half of the respondents (52 percent) say that things are going in the wrong direction. More malcontents can be found in the countries of the former Soviet Union (with the exception of Estonia and Latvia), in Slovakia, Hungary, and in Bulgaria. There are definitely fewer such people in the Czech Republic, for instance.

We do not highly evaluate our own living standards: 11 percent of Poles say that in recent months the material situation of their households has improved; 32 percent have not noticed any change; 54 percent say that this situation has deteriorated. Not only are the Albanians more satisfied than we (they showed extreme enthusiasm), but also societies with which we like to compare ourselves, such as the Czechs, Slovaks, and Lithuanians. Bulgarians and Hungarians evaluate the material situation of their families less favorably than we do.

Every seventh Pole (15 percent) expects that over the next year living standards will rise in their households. There are relatively few extreme pessimists (less than every third resident of the country).

Advantageous Free Market

"Poles' attitude toward the principles of the free market is stable and positive," note the researchers. Nearly half of the respondents (49 percent) believe that development of the free-market economy is favorable to the future of Poland, and 23 percent express the opposite opinion.

This result is slightly worse than the results noted in previous years; however, it gives us the position of one of the leading countries in this part of Europe. We are ahead of not only the critical Hungarians and the skeptical societies of the countries located east of Poland, but also of the relatively satisfied residents of the Czech Republic and the Baltic states.

Reforms Too Slow

Nearly every other (45 percent) inhabitant of our country believes that the economic reforms in Poland are progressing too slowly. We expect an acceleration more often than the Lithuanians, Hungarians, Estonians, Albanians, Czechs, and inhabitants of the CIS. The nations that expect faster economic reforms more often than we do are the Slovaks, Bulgarians, Romanians, and the Latvians. Nearly two-thirds of Poles (63 percent) are dissatisfied with the development of democracy.

The strong conviction of Poles about the nonobservance of human rights in our country was termed as alarming by the researchers. With each passing year we have had more doubts (as many as 59 percent of respondents expressed their dissatisfaction). Nearly all the nations of this part of Europe feel better about the human rights situation.

Supporters of Integration

We believe more often than most of the other nations included in the study that the future of our country will be linked first and foremost with the European communities. We predict that integration with EU will be advantageous, first of all, to private entrepreneurs and the administration, and that it will be disadvantageous to peasants and people with low incomes. On the whole, however, opinions on the EU are rather favorable in our society.

"We support the market economy and we are heading for Europe; however, we do not really like our everyday reality and we are easily influenced by the mood of a given moment," said Eugeniusz Smilowski, summing up the "Polish" results of the research.

* * *

The research has been carried out every year since 1990. The most recent poll was conducted in November 1994 in nearly 19,000 households of 18 Central and East European states. The group of Polish respondents was a representative 1,004-person sample of Polish residents over age 15.

Melescanu on Signing of Basic Treaty With Hungary

AU0903092095 Bucharest Radio Romania Network in Romanian 1800 GMT 8 Mar 95

[FBIS Translated Text] Romanian Foreign Affairs Minister Teodor Melescanu made a statement following his meeting today at Senate headquarters with the members of the Foreign Policy Committees [of the two chambers of parliament], saying that the limits within which solutions to still-unsettled issues for concluding the Romanian-Hungarian basic treaty have to be sought are now very clear. He also expressed the opinion that, within the possibilities offered by the Constitution and the laws of Romania, a solution could be looked for along the idea of local autonomy [in idea autonomiei locale] for all the localities inhabited by ethnic groups other than the majority Romanian population. Melescanu added: Everything that will be included in the treaty will be bilateral obligations. That is: All the rights and liberties the treaty will stipulate will apply both to the persons of Romanian origin living in Hungary and to the ethnic Hungarians in Romania. There will be a perfect equilibrium and a perfect reciprocity of all obligations, said Melescanu.

The foreign minister expressed his hope that the Romanian-Hungarian basic treaty will be able to be signed before the end of this month, informs our correspondent Dan Preda.

Iliescu Tells PDSR of Disappointment

AU0903120395 Bucharest ADEVARUL in Romanian 4-5 Mar 95 p 1

[Editorial by Rodica Ciobanu: "The President Raises His Voice; the Social Democracy Party of Romania Grumbles"]

[FBIS Translated Text] The preelectoral year of 1995 finds the Social Democracy Party of Romania [PDSR] in the darkest phase of its political trajectory. Gathered at the Children's Palace in Bucharest [on 2 March], the party's top echelon examined the exorbitant "costs" of the two- and four-party protocols concluded in the past year. It admitted losing credibility, losing the "war of images," its poor organization in the territory, and the "rift" between the center and periphery. At the same time, local scandals in which PDSR prefects and members of parliament accuse one another are causing sleepless nights for the Permanent Delegation and endless work for the government's Control Department, which is beset by complaints.

In Parliament, the promotion of certain draft bills is becoming increasingly difficult, the political alliances are functioning badly, and the PDSR's own deputies are showing signs of insubordination and are even leaving the party.

As if all this were not enough, President Ion Iliescu, the founder of the PDSR on the eve of the 1992 elections, has sent the National Council a letter in which he gives vent to his discontent. It is the first time the head of state no longer conceals his disappointment with euphemisms. The quality of a social-democratic party seems to have been forgotten, the president says. PDSR dignitaries are acquiring huge wealth from the accumulation of positions, while the number of paupers is increasing. The party lacks initiative and aggressiveness toward the negative events in Romanian society. Where are the promises that they made jointly during the electoral campaign?

The speed with which the PDSR leaders have eaten humble pie and replied to the president's reproaches proves that the umbilical cord between Iliescu and the party has not been severed. The head of state still has authority over the party and can scold it and demand that it behave itself. Nevertheless, he can only receive half-measures in return—because the PDSR, although electorally dependent upon Ion Iliescu, has become emancipated and has cultivated itself in the meantime, and has also developed other leaders. It is so dominated by economic interests now that it finds it hard to synchronize itself politically with its first mentor.

The members of the PDSR's National Council grumbled when they heard Adrian Nastase talk about the "zero option"—that is: no more memberships of the supervisory shareholders boards or management boards of enterprises, but just their salaries and expenses. In the end, they reached a traditional compromise jointly with the executive president: membership on only one supervisory or management board—although this, in some instances, is more than enough if the income is not limited. Adrian Nastase's idea that the income derived from each extra job should be donated to the party—so that the party can thrive on the state's money—was passed on to the Permanent Delegation, which will hopefully be wise enough to ignore it. In these circumstances, President Iliescu has good reason to be angry.

However, the PDSR has great plans. It wants to win the 1996 elections and, if we are to believe their visionary senator Ioan Solcanu, it must keep on winning for at least 10-12 years. To this end, the party wants to gain weight by attracting more new members. "Anyone signing an application form should be accepted," Nastase said. It is no longer necessary for new would-be members to gain the approval of the leaderships of the county organizations—which in certain cases, such as Olt County, dared to be selective. Since it has nothing to fear from the opposition, which is in total confusion, the PDSR dreams of heading a "national alliance for Romania," set up with its current political partners and other parties eager for promotion. The fact that the main ruling party is thinking in terms of an electoral alliance, with or without joint lists, implicitly amounts to recognition that it can no longer win the local elections alone. Up to the present, the PDSR has swallowed up four little parties and is on the point of digesting another two. But on the eve of the elections, it plans to extend itself through alliances concluded on a barter basis. This would be a costly barter for everyone, like the client relationship the cultivation of which has been elevated in recent years to the level of an art form.

Defense Minister Views Army Restructuring

AU0803202695 Bucharest VOCEA ROMANIEI in Romanian 2 Mar 95 pp 1, 3

[Part II of interview with National Defense Minister Gheorghe Tinca by Mircea Bunea; place and date not given: "Almost Everything About the Army"]

[FBIS Translated Text] [Bunea] Mr. Minister, you have used the terms reform and restructuring several times and my question is: What is the meaning of these expressions in the Romanian Army? Where is the starting point of reform; what is its target; and what are the stages that have to be traveled in order to reach the goal?

[Tinca] You see, I am upset that people use the term "reform" too carelessly. Eventually it is going to lose its meaning and will start resembling the campaigns launched in the past by the party. Now we have to carry out the reform. The chief is telling us about it; we hear it on the radio; we see it on television; and we read about it in the press. Thus, we have to do this as well. This nation has gone through a lot. In concrete terms, the reform takes shape through restructuring, readjustment.... This is one of its aspects and it keeps worrying us because it threatens our situation. This is a change. One person becomes unemployed; another retires; another has to learn something new; and all of them have to take care of themselves. In any event, this means uncertainty. In general, we all want the reform and we appreciate it; but privately, we believe it is not our concern. Others have to efffect the reform and we have only to benefit from the prosperity that we want to achieve.

I believe that we cannot talk about reform if we are not familiar with the clearly outlined ideas that form its foundation. These ideas cannot remain with a group of knowledgeable people. These ideas have to reach the lowest levels of society, reach "the masses," as one would say.

People have to know what the purpose of the reform is, what its consequences are, and what price one has to pay for it. There should be a clear message, and I believe that this is better expressed through the word modernization, a substantial increase in the quality of life in this country. I would like to add a parenthesis. One should not understand that the revolution imposed the reform; or that if there had not been reform, we could live very well without it; or that with this revolution we found ourselves in another mess; or, more than that, that the revolution brought us these people from the West who force us to carry out reform and enter their schemes. We are reluctant to do so, but we must do it, since somebody somewhere is asking us to do it.

If such ideas are circulating, then the answer is very simple: The reform should have been undertaken a long time ago. I believe that it should have been done in the seventies. Had it started then, the conditions in which it could have been carried out would have been different, and the fate of Romanians would have been completely different today. We are all aware of why it could not have been done then. No use in pointing at the guilty parties. The revolution only eased the field so that the need for reform could become free to assert itself.

The revolution gave us the opportunity to start the reform and conclude it. The idea of reform is connected with the idea of integration. As you know, nobody is forcing us to integrate. We can remain isolated. However, it seems integration is the only way in which we can have access to modernization. It is the only way in which we can enter the prosperous European family. It is true that you should carry out integration by starting from your own national interest, with eyes wide open. You should not give up. You should strive up to the last moment to find a better solution and a worthier position within that family. This is a completely different process. It calls on your brain, on your intelligence, and on your imagination. You have to be alive.

[Bunea] You also have to have those...

[Tinca] We have them, believe me. In this respect I am very optimistic. This country has fantastic potential. However, you have to make use of it. You see, we got used to saying that we are poor. We are not poor. We just have the mentality of poor people. Maybe we accepted it because sometimes it is more comfortable to say that we are poor. We never have the right to something better because we are poor. How can you aspire to something better, to other conditions, when you yourself are not convinced that you deserve it and you are not convinced that you can have it? Somehow this aspect is also connected with the reform. But let us close the parenthesis and return to our subject.

The first phase of reform is restructuring, and it consists of creating a framework in which you continue to operate. We will finish this first phase this year. We cannot work on the improvement of arms, introduce another type of instruction, change mentalities or make the officer aware of the value and prestige of his profession, or seriously work on the relations between the Army and other state institutions, as long as our army does not acquire a new shape. This shape is conceived in such a way as to respond to the need to provide a new quality to the Army, which has to be flexible, rapid, and effective. This process will conclude this year.

Many people believe that the reform is only a matter of reorganization. Wrong. This is the first stage, and it is correct to say that only after this stage is finished will the reform in developing the really qualitative sides of the army follow.

Beginning in 1996, we will concentrate our activity on other, more difficult aspects. If we are referring to equipment, the basic idea is to raise the technological level—through collaboration and not through acquisition, because we have no money. If we are talking about the functioning of the Army, we have to learn new methods of planning and administering resources. We will start a study with the Americans on the issue of managerial problems of Army resources.

Instruction is another aspect in which we must achieve qualitative development. The soldier's social condition will continue to be one of the most sensitive problems. We will come closer to the image of what an officer should be in society.

Well, first of all, please take into account that we should ensure conditions to maintain a high level of operational ability in the Army—that is, to hold up the guard. This means carrying out changes as we go along. But we should always be vigilant as we move forward.

It Is Essential To Know How To Spend Money

[Bunea] Mr. Minister, at the current stage nothing, or almost nothing, can be done without money. Does the Romanian Army have the necessary financial means to achieve the reform?

[Tinca] First of all, I have to say that we do have some money. The amount is not enough to cover our needs, but we have some money. When you have a little money it is very important to know what to do with it, and how to spend it.

When you have more money, you can afford to make some mistakes and waste it because it is not noticed. But if you have little money, you have to be watchful and careful how you spend it, and we do not really know how to spend money. And this is not something specific to the Army. We must honestly admit that this is a matter that is specific to many of us. I do not know whether it is the same in your case, but I cannot tell you that I have administered the money I have had very well.

How does it help for us to continuously say that we have little money and that we need money. No matter how much we whine, we cannot increase it. However, through this poverty we justify everything, even our indolence. Without money you can do almost nothing, but with little money one can still do something. The Army will have more money when the economy recovers or when we decide to resort to foreign loans to ensure a certain cooperation in the defense industry. However, even then it will be essential to know how to spend money. I believe that the problem lies not so much in saving money—because we do not really have anything to save—as, mainly, in how to spend money correctly and reasonably. We must eliminate waste; eliminate the bungling work mentality and, mainly, careless, irresponsible, or hasty work. There are ways of increasing money in this way. Let me give you an example: In our Army there is military equipment that is operated by six persons. If you make some technical improvements in this area, the same equipment, if properly modernized, can be operated by four or even two persons. Those who are released from that work can do something else—what we lack today. Thus, one should work on eliminating useless expenditures.

New Recruits' State of Health and Illiteracy Are Alarming

[Bunea] Also on the subject of money—or almost on the same subject—I would like to ask you how you view the Romanian soldiers' standard of living? What are the problems in this area, and the requests that reach your desk? Can you solve them in a satisfactory manner?

[Tinca] Let me refer to conscripts. It is a positive fact that, so far, there have not been complaints about the soldiers' food. I do not say it is like living in paradise or that they have everything they ever wished for or desired. The living conditions—that is: housing, hygienic needs, even clothing—yes, these are problems, and sometimes extremely difficult and complicated problems.

We can also mention the difficulties of getting adjusted to new things. You see, in society there is a confusion of values, a confusion that also affects the young people who join the Army. Freedoms, the way they understood them, unemployment, broken families, crime, other troubles of the transition period suddenly stop at the moment they join the Army. However, the young person shortly becomes part of another framework. He must become tidy and submit to military rules and discipline. He is given orders and he has to do as he is told. There are things that he considers stupid, but those things belong to a different logical area, one that is different from those in civilian life—namely military logic, which is correct according to the mission that has to be fulfilled. There is no Army unless there is this discipline and severity.

Some of those young people cannot stand it. And against this background a number of tragic acts may occur. We try to improve things in this area as well, but the change has to be much deeper and to be accomplished this requires time.

Apart from all this, there is also the issue of relations between officers and conscripts. I am not talking only about the traditional "corporal," but sometimes things turn nasty. Tradition, if I may so call it, perpetuates itself. Each person has to go through several difficult experiences, and when he reaches the top and becomes chief over a smaller group, he wants the group to suffer everything he suffered. This circle must be broken somewhere.

[Bunea] Are you planning solutions or is such a process already taking place?

[Tinca] If you are referring to the breaking of this circle, I believe it is going to be achieved with difficulty, but we have to start it. I believe that the greatest responsibility should rest with the commander, the officer who must be present more frequently in the unit. In any event, I do not believe that an officer can have a quiet weekend without dropping in at the unit to see what the "kids," what his subordinates and the troops, are doing.

Another very alarming phenomenon is the fact that the health of those who join the Army is not the best, and as far as their education level is concerned, there have already been alarming signs. The number of illiterates is increasing. I am concerned about how we could solve this shortfall in the Army. Maybe by teaching them to read.

As far as the officers and warrant officers are concerned—I am talking mainly about the younger ones—the greatest problem is also well known to you: namely, the problem of dwellings. As is known, we need over 20,000 service flats. For younger officers this is more difficult, because their salaries are low—but prices are the same both for those with higher salaries and those with low salaries. They have to go to provinces, and this means that their wives—in almost all cases—cannot find jobs. When children arrive, things get even more complicated because the family budget is shrinking. It also happens that such officers commute, and that means other expenses. I, close to retirement, do not have it any better. I cannot stay in a service flat forever, but there is no other type of flat. How can somebody with a salary as his income buy an apartment? It can happen, it is true. There are cases where, when officers had a flat, they bought it in their children's name, while they continued to live at the state's expense. Is that good? Bad? I do not know. However, it is certain that we have to find a solution to their problem. Some of these things can be solved once we have the law on the statute of military cadres, which includes a great many privileges, advantages that reduce some of the difficulties of the current situation.

Corruption Yes, Large-Scale Fraud No

[Bunea] Mr. Minister, there was a time when one could hear much talk about corruption in the Army, illustrated with such cases as the "cigarettes" affair [reference to smuggling of Kent cigarettes]. How come after all this time one still cannot find out what really happened?

[Tinca] I cannot tell you anything about what that was. Maybe it is a complicated business. There are many opinions about that. As far as I am concerned, I leave it all to the judiciary bodies, to do their duty. In fact, it could not be any other way, because the Army does not operate outside the jurisdiction of the judiciary bodies. This is a rule that must be very well-learned. If, formerly, "recommendations" and the interests of "elite groups" were at work, today things must be radically changed. At least, in the Army. It is in the Army's interest to be in line with the provisions of the law, and to conform to the judiciary bodies. I do not exclude the possibility of other "cigarettes" in the package now, in this period when there are big temptations. Some of them we have already extinguished, while we are currently taking care of others. We do all this without making too much noise because we are not interested in the noise. The damage is recovered. We administer the punishment stipulated in our regulations or, if it is a penal case, we alert the Military Prosecuting Magistracy—regardless of the rank or position of those who commit the offense. There can be no compromise when we are talking about justice.

[Bunea] In "civilian" life one hears talk of corruption without corrupt people. How is it in the Army?

[Tinca] I cannot say that we have no corruption without corrupt people, because I would be contradicted by the soldiers who often offer something in order to get a home-leave pass or to be transferred to a cozier post. However, we do not have the large-scale fraud that one encounters in civilian life. Maybe it would not even be possible, because there is another regime in the Army. Nevertheless, there are some serious cases. For example, we have been receiving information for quite some time about certain dubious affairs at a Bucharest military unit, and we have begun investigating. What is happening there? What the daily EVENIMENTUL ZILEI wrote about this case is true so far. The license plates of foreign cars over eight years old are changed. They are washed, the documents are falsified, and the cars are sold. All this happened with the knowledge of, or in complicity with, certain officers. What is very serious is the fact that these things were taking place in a military unit. Well, now two officers are under investigation by the Military Prosecuting Magistracy, and last week another three officers were demoted.

The investigation continues, and I can tell you with my hand on my heart that it will continue no matter what the connections are or where this leads. Considering that I have another profession—I hope eventually I can find a job at the Foreign Ministry—I am not really interested in the consequences of my attitude as long as my attitude is proper to the very end. Thus, I do not have to make any compromises. In fact, so far, nobody has asked me to do anything that is against my beliefs or against the law. And there is something else worth mentioning as well. Even if there are no big cases of corruption, for an officer, and mainly for higher-ranking officers, there is something stronger than the law. The officer should avoid getting involved in certain situations that might put him under a cloud. He has to defend a prestige, the prestige of the Army. The Army is an institution that supports him and which he represents. The military uniform should never be sullied. My opinion is that much more is demanded of an officer than just to observe the law.

When Everything Is Secret, Nothing Is Secret

[Bunea] I have a question that is in a way connected with what you said. When you say Army, you say discipline. What do you think of the discipline in the Romanian Army today? How can one explain a leak of information from the ministry of which you are the head? And in general, what do you tell those who say that the Army has no more secrets?

[Tinca] You see, you lead me to an area in which it is not advisable to give a clear answer. You cannot say that this is white or that this is black. Here, there should always be some uncertainty. It is a well-known fact that in every country and everywhere there are specialized bodies that seek secret information. There is nothing sensational in it.... This is the reality that you have to live with.

However, you should take protective measures. I cannot tell you that everything that has leaked from the Army is secret, nor can I say that nothing is secret. In this respect, you will not receive from me any information. No confirmation. Those who want to find out those secrets will have to rack their brains over it.

As far as discipline is concerned, it certainly includes safeguarding secrets. By the way, I do not really know what is meant by secret because we do not have a law on secrets. We are guided by a number of old laws. If we observe them to the letter, then that means that we cannot move forward because everything is secret, and when everything is secret, nothing is secret. Army discipline—to talk like a civilian—is impressive. Certainly if you compare it to discipline in other state institutions. In Army terms, deadlines are deadlines. Punctuality, too. An order is an order, and a report is a report. There are certain requirements and restrictions that seem formal, but they are of great importance because they this institution prestige and the ability to function. The Army cannot function without discipline, but our Army is functioning! One can see that. I am not saying that discipline is perfect. However, I can guarantee that in the future, we are going to focus on discipline, the Army's ability to function, and the continuation of the reform. These will be the major targets this year.

One Can Lose a War in 10 Minutes

[Bunea] I have one last question. We are living in a time where not everything is clear-cut. We can expect anything. Is the Army ready to respond to this "anything"? What is it lacking; what does it still need?

[Tinca] It depends what you mean by "anything." No army is ready for anything. That is how alliances and other types of associations are formed in a structure of collective security. The Army's missions, which are stipulated in the Constitution, can be fulfilled under certain conditions. Thus, in the current stage of reform, I would like to reiterate our determination not to overlook the need to maintain the Army's combat readiness at the highest possible level. Busy with changes, mutations, seminars, visits, and other activities, we might forget what is essential for the Army—namely, the combat readiness, its ability to be able to fulfill missions. Moreover, you should be aware of the fact that in case of an aggression, the Army will be joined by other forces. If we have the necessary time for it, the entire country joins the Army. Combat readiness is also connected with the functioning of the mechanism of mobilizing human forces and resources.

The problem is that the classical type of aggression or conflict is rare. When we say war, we think of a world conflagration. The former Yugoslavia seems to make us more realistic in our views. There are other types of aggressions that must be known and understood by everyone. I am referring to the psychological war, the war of images—or imagological [imagologic] war, as we call it—based on disinformation and diversion, which can defeat a country without a single bullet's having been used for its defense. The notion of the enemy becomes confused, uncertain; and many of those who believe that they are defending themselves, people acting in good faith, do nothing other than unknowingly accommodate the scenarios of adversaries. Hence, the problem of defense appears in another framework, one completely different from the usual one. Thus, not only must the Army be instructed but the entire population as well, in order to understand where their genuine interests lie. Maybe we should be more concerned with these new aspects.

But let us not go that far. Let us stay with the issue of classic conflict.

A war can be lost if you do not master the air space properly, for example. You can be put in a situation where you can do nothing. Thus, defending the country is not only the responsibility of the Army alone. Politics must also make an immense contribution to avoiding critical situations. Moreover, negotiations are completely different when those who are sitting at the negotiating table know that they are facing strong partners who are determined to defend their interests. Here we are talking about the function of discouraging the Army, something that is very important today. We all must be concerned, you see, by these issues—because we can lose what is called a war in a few days or even in 10 minutes, without making use of arms at all. We have to know and be prepared for other scenarios as well. In the future, there will not be troops divided by trenches and barbed wire, and there will not be battles with bayonets in which we conquer a mound today and the enemy conquers a hill tomorrow, while the strategists stick little flags on maps and continue to make plans. Therefore, I believe that part of the answer to your question—even if not a complete answer—can be found in the result of the reform that we intend to carry out, and this is connected with the seriousness of the exercise in which we are engaged. We have to know that what we do today engages the nation well into the future, and if we wish to do something for its benefit, we have to understand how the world in which we live develops, and try to obtain a more favorable position. Compared to this responsibility, the difficulties we are facing appear lesser, especially since we alone create some of them.

[Bunea] Mr. Minister, thank you very much for your patience and for your answers. I think we have done a good job together.

[Tinca] Have we?

[Bunea] Absolutely. I am convinced of it. It has been a free and interesting discussion, without any scabrousness...

[Tinca] This seems normal to me. The era of reporting to the party in the past is over, just like everything else that was unnatural.

Cabinet Issues Statement on Military Agreement

AU0803170295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 8 Mar 95

[FBIS Translated Text] Regarding the different interpretations of the agreement reached at the meeting of military commanders of Croatia and Bosnia-Herzegovina in Zagreb, the cabinet of the president of the Presidency of Bosnia-Herzegovina today issued the following statement:

Cooperation between military forces of the Republic of Croatia and the Republic and Federation of Bosnia-Herzegovina was agreed at the meeting between military commanders of the Army of the Republic of Bosnia-Herzegovina, the Croatian Army, and the Croatian Defense Council held in Zagreb on 6 March. The Croatian side also proposed the formation of a joint staff in order to coordinate military activities, something which will be carefully examined.

Military cooperation is indispensable as the aggressor (?obviously) refuses to accept a reasonable political solution and continues attacks. Both sides also pointed out that they still prefer a political solution to the clashes.

Joint Command 'Over-Rated'

AU0803185795 Paris AFP in English 1807 GMT 8 Mar 95

[FBIS Transcribed Text] Sarajevo, March 8 (AFP)—Sarajevo said Wednesday the setting up of a joint military command with Croatia was still under consideration, two days after Zagreb announced the deal was done.

"The Croatian side suggested the setting up of joint headquarters to coordinate military activity. This will be considered carefully," a statement issued by the office of Bosnian President Alija Izetbegovic said here.

"Military cooperation will be considered as the aggressor continues with his attacks," the statement said, referring to the Serbs. "Both sides also stressed that they still preferred a political solution to the conflict," it added.

"Zagreb's announcement of the creation of joint headquarters was a little over-rated," presidential aide Kemal Muftic told AFP, adding: "Things don't always flow easily between Bosnia and Croatia."

State-run Croatian television Monday evening reported the setting up a joint military command as a done deal. The announcement sparked concern in the West and fears in the UN Protection Force that the move could lead to renewed confrontation. According to Monday's announcement, the Croatian Armed Forces would cooperate with the forces of the Bosnian Croats and of the Moslem-led Bosnian Army.

The joint headquarters would be headed by Croatian Armed Forces chief General Janko Bobetko. The report went on to quote Bobetko as saying that the joint forces would be used to "protect the territories, borders and populations living within the (Bosnia-Herzegovina) federation and (Bosnia-Croatia) confederation and to create the conditions for a return of refugees to their homes."

Bosnia-Herzegovina Federation President Kresimir Zubak, a Croat, and Vice-President Ejup Ganic, a Moslem, were in Zagreb at the time. The two men Wednesday were meeting, under U.S. and German auspices, in Bonn in a bid to iron out differences arising out of the setting up a year ago of the Moslem-Croat federation.

Bosnian Moslem and Croat forces fought a bitter 10-month-war in 1992-93 and have still not combined their forces, despite the establishment of a joint command here.

Serb Commander Comments

LD0803190595 Belgrade TANJUG in English 1816 GMT 8 Mar 95

["Pool" item]

[FBIS Transcribed Text] Banja Luka, March 8 (TANJUG)—The forming of a joint command of the Croatian Army and the Bosnian Croat and Muslim forces was not unexpected, Bosnian Serb Army Assistant Commander Lt. General Milan Gvero said here Wednesday.

Gen. Gvero told TANJUG that 'although there are significant military and political differences between the Muslims and Croats, both sides still have a joint interest in persuing an anti-Serb orientation.' Gvero said this is only temporary and that the Bosnian Croat-Muslim clashes would be renewed because both sides publically urge a military option as the final solution to the conflict in the territory of the former Yugoslavia.

The Croatian Army and the Bosnian Croat and Muslim forces on Monday in Zagreb signed an agreement on setting up a joint command. Gvero said that the increasingly fierce violations of the four-month ceasefire in Bosnia were crushing hopes that the agreement was an indication of a peaceful solution to the fighting in Bosnia.

'Although it was of primary importance both for the Croats and Muslims, and made at the expense of the Serbs, the former were responsible for the basic violations of the agreement,' Gvero said.

The four-month agreement on the cessation of hostilities in Croatia came into force on Jan. 1. Gvero said he believes that the Muslim-Croat coalition had signed the agreement primarily to prevent the definitive defeat of the Sarajevo Muslim Government Army's Fifth Corps in northwestern Bosnia following the failure of the fall offensive.

'They use the period without heavy fighting to arm, equip and reorganize themselves and thus prepare to continue attacking in the spring,' Gvero said. He said that confirmation of such preparations were recent events at the Muslim-controlled Tuzla Airport in northeast Bosnia.

United Nations monitors in the field last month registered night overflights by unidentified aircraft at Tuzla, but NATO denied the reports saying its planes control the U.N. 'No-Fly Zone' over Bosnia. The western press said the United States is using Tuzla Airport to supply the Muslims with weapons, thus also violating the U.N. ban on arms deliveries to the entire territory of the former Yugoslavia.

Krajisnik Comments

LD0803211295 Belgrade TANJUG Domestic Service in Serbo-Croatian 2002 GMT 8 Mar 95

[FBIS Translated Text] Belgrade, 8 Mar (TANJUG)—Momcilo Krajisnik, president of the Srpska Republic [RS] assembly, today said that the establishment of the joint Croat-Muslim Army Command was an announcement of a "final battle," SRNA reports.

"This battle can be expected to be final and decisive, the final attack on the RS and the republic of Serb Krajina [RSK], for which we must be prepared, and to which we must respond with all the means at our disposal," Krajisnik said, speaking on the "Direct Line" program of the Serb Republic TV.

The RS assembly president also said that the Serb side was still trying to establish political dialogue in order to prevent the resumption of the conflict in the spring, and that he was not underestimating Croat-Muslim threats made in the form of the agreement on the joint command.

"All the information we have clearly shows that the Muslims are in a hurry to arm themselves and prepare an offensive against the RS. However, the Serbs have also not been sitting idly," said Krajisnik. If the Muslims decide in favor of a war option the Serbs will not take into account any UN Security Council resolution, he added.

"We have given the international community, the UN, and our enemies enough chances to come to a peaceful solution; we have even accepted certain compromises, made concessions, but we cannot accept the ultimate solutions and plan by the Contact Group," Krajisnik said.

Ganic, Zubak Discuss Federation With Kinkel

AU0803212395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 8 Mar 95

[FBIS Translated Text] A meeting between Kresimir Zubak and Ejup Ganic of the Bosnia-Herzegovina Federation and German Foreign Minister Klaus Kinkel opened in Bonn today. The topic of the talks is the implementation of the Federation agreement [word indistinct]. We have a report from (?Drago Suro):

[(?Suro]) The Federation of Bosnia-Herzegovina represents a step forward in establishing peace. It is a political and legal framework through which all the interests of Bosniak-Muslim and Croatian people are realized. It is a political and legal solution that ensures the complete equality of Croats and Bosniaks. The instruments of power are set out in such a way that the possibility of majority rule is completely excluded. Besides, the Federation also permits the Serbian side to join.

This is what Kresimir Zubak and Ejup Ganic, president and vice president of the Bosnia-Herzegovina Federation respectively, said at the beginning of their news conference held during a recess of the two-day closed talks at Petersberg near Bonn, which opened today. However, due to differing views about how to realize the Federation in practice, problems arise that are not small, yet not so great as to provoke new clashes between the two peoples, Croatian and Bosniak-Muslim.

It is these peoples' political will to realize the Federation and, also find the necessary compromise to expedite the talks, stressed the most prominent Federation representatives, Zubak and Ganic.

The Bosnia-Herzegovina Federation must overcome every obstacle and become a stabilizing factor toward further peace measures [words indistinct] stated German Foreign Minister Klaus Kinkel, who organized these talks. After (?having overcome) the terrible military clashes between the two peoples, the Federation should now be prepared and organized for joint existence, said Kinkel, and pointed out that the Federation has at its disposal, or at least can hope for, extensive assistance from the international community. It is up to the two sides to realize the Federation and build it further.

Zubak, Ganic, and their aides are staying in Petersberg; Kinkel is leaving for Moscow this evening, where he will conduct prearranged talks with Russian President Yeltsin and Foreign Minister Kozyrev on the situation in the countries of the former Yugoslavia, and especially about the [word indistinct] talks with the Serbian president. He pointed out that Milosevic must make the decisive contribution by recognizing Croatia and Bosnia-Herzegovina within their internationally established borders.

Republic of West Bosnia Soon To Be Declared

LD0803173395 Belgrade TANJUG in English 1717 GMT 8 Mar 95

["Pool" item]

[FBIS Transcribed Text] Banja Luka, March 8 (TANJUG)—West Bosnia President Fikret Abdic has said that any moment now the autonomous province of West Bosnia may, upon its constitutional principles, formally declare the Republic of West Bosnia.

In an interview to the GLAS SRPSKI daily, published in the town of Banja Luka, western Bosnia, Abdic said the province was not part of the territory controlled by Sarajevo Muslim government forces, but was an equal partner of the Bosnian Serb Republic and the Bosnian Croat Republic of Herzeg-Bosna.

Factors involved in a resolution of the crisis do not realize this although they should, he said.

Moderate Muslim politician Fikret Abdic and his followers proclaimed the autonomous province of West Bosnia in September 1993, opposing the militant policy of the Sarajevo Muslim government. Abdic urged that the province be treated in future as an 'equal partner and a separate entity which should participate on an equal footing in talks on the fate of internationally-recognized Bosnia-Herzegovina, like all its other constituent entities.'

Abdic said relations between West Bosnia and Croatia were not strained, but said there were disagreements over West Bosnia's refusal to recognize the Muslim-Croat Federation in Bosnia-Herzegovina.

An agreement to form the federation was signed under U.S. pressure in Washington last March by Bosnian Muslim Leader Alija Izetbegovic and Herzeg-Bosna Leader Kresimir Zubak.

Abdic said West Bosnia forces continually clashed with the Sarajevo Muslim government Fifth Corps, while the situation on the border with the Bosnian Serb Republic was calm.

Abdic said territories controlled by the Muslims' Fifth Corps in northwestern Bosnia did not have any future, because there ruled the laws of Izetbegovic's mob, which he said was his private army.

RS Construction Minister Founds Political Party

LD0803174495 Belgrade TANJUG Domestic Service in Serbo-Croatian 1524 GMT 8 Mar 95

[FBIS Translated Excerpt] Banja Luka, 8 Mar (TANJUG)—Radislav Brdjanin, the minister of construction in the government of the Srpska Republic [RS], at today's news conference explained his resignation from the post of "coordinator for the economy" in the government.

Brdjanin also announced the setting up of the Serb National Party [Srpska Narodna Stranka] that will be based, he said, on the original principles of the Serb Democratic Party of Jovan Raskovic. Attributing his resignation "to the closed nature of the work of the government and the People's Assembly of the RS," Brdjanin stresses that, as a minister in all three of the government's cabinets up to now, he had advocated the clearing up of numerous affairs and the increasingly widespread criminality.

Speaking about the affairs that have not been cleared up and the increasing incidence of crime in the RS, he stressed the link between the authorities and the criminals by saying that "every criminal today has his own politician, policeman, and journalist." [passage omitted]

Although he said he advocates the unity of the RS, he considers that [Bosanska] Krajina has in every respect been neglected and that its influence is nowhere near its strength and the efforts it has invested in the war. Although he announced the founding of the party and intimated that among others, its members will include five or six deputies, some chairmen of municipal executive committees, and many distinguished people, Brdjanin "froze" its work until the end of the war, announcing that the party will be registered "on the first day of peace." [passage omitted]

SDS Conference Coordinates Stance on Mikelic

AU0803170495 Korenica Srpski Radio Korenica in Serbo-Croatian 1800 GMT 6 Mar 95

[FBIS Translated Text] Today, the head committee of the Serbian Democratic Party [SDS] of Serb lands organized at Pale today a conference on the party activities in the republic of Serbian Krajina [RSK]. The conference was attended by president of the Srpska republic and of the SDS of the Serb lands, Dr. Radovan Karadzic. Svetlana Tepavcevic reports.

[Tepavcevic] In accordance with the decisions of the head commitee of the SDS of Serb lands regarding the improvement of party activities, organizing forums, and the development of the SDS as a parliamentary party, a conference, organized by the executive committee of the SDS of Serb lands and regarding the activities of the SDS of Serb lands, started at about 1500 today. The conference is chaired by the president of the party, Dr. Radovan Karadzic, and the president of the executive committee of the SDS of Serb lands, Velibor Ostojic; the president of the People's Assembly of the Srpska republic, Momcilo Krajisnik; and members of the head and executive party committee from the RSK, as well as presidents of the municipal and coordination party committees from the RSK are also taking part in the conference. The conference is being held behind closed doors. We have learned from Mr. Ostojic that this will be a working meeting in which the party leadership will be introduced to the situation on the ground, the activities of the party bodies, and the political situation in the RSK. It is expected that, in the talks with the members of the SDS of the RSK, the positions of the SDS of Serb lands regarding Krajina President Martic's demand that Krajina Prime Minister Mikelic be replaced will be coordinated.

Karadzic's Forces Expel Bosniaks From Bijeljina

AU0803132995 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 8 Mar 95

[FBIS Translated Excerpt] The Information Service of the Bosnia-Herzegovina Army 2d Corps has issued the following statement:

The genocide in Semberija continues. Another group of Bosniak-Muslims from Bijeljina and nearby villages, whom Karadzic's regime had expelled from their homes, was brought to Majevica last night.

The exhausted and frightened civilians, who could barely stand on their feet, were taken to the front lines and left there to find a way to the free territories, risking walking through mine fields. Upon receiving them, the members of the 2d Corps units provided medical attention for the suffering civilians and then housed them in the refugee reception center in the Tuzla Municipality. [passage omitted]

Preparations for 'Muslim Spring Offensive' Viewed

AU0803172695 Korenica Srpski Radio Korenica in Serbo-Croatian 1800 GMT 6 Mar 95

[Announcer-read report including telephone reports by several correspondents—live or recorded]

[FBIS Translated Text] [Announcer] Today, Serb soldiers warded off enemy attacks on certain fronts. There was a serious cease-fire violation on the Gradacac front. Tanks fired on Modrica, where an alarm is in force, from Muslim positions. We will hear Vid Blagojevic's report on this.

[Blagojevic] Today, at around 1100 [1000 GMT], the Muslim forces violated the four-month cease-fire agreement in the most brutal way on the Gradacac front. From the Skorici area, tank shells were fired on the broader region of Modrica. There is material damage, but fortunately no casualties. The alarm that was sounded at 1100 is still in force and, while I am sending this report, the people are mostly in basements and shelters. There have been Muslim provocations from infantry weapons on the Gradacac separation line, which is about 70-km long, throughout the day. The shelling of Modrica, in addition to information from the security bodies of the army of the Srpska republic in this area, confirms that the Muslims were waiting for spring to continue the war, that they do not care for any kind of cease-fire, and that the main direction of their announced Muslim spring offensive will be Serb Posavina, that is, the route connecting the eastern and western Serb lands.

[Announcer] From the so-called protected enclave of Gorazde, Muslim forces attacked the Serb positions on the left bank of the Drina River. We will hear the report sent to us by Drago Todorovic.

[Todorovic] The frightened Muslim fundamentalists from the Gorazde enclave have reactivated this front. The (?Srbinje) command of the Serb Army reported today that, in the region of the village of (?Nekotin) on the left bank of the Drina River, the enemy launched a heavy infantry attack on the positions of the Srbinje soldiers, which was followed by an adequate response. There were no casualties among the Serbs, but the UNPROFOR [UN Protection Force] command in Gorazde was informed that this has been the third Muslim cease-fire violation within the past 10 days. Serb military sources have pointed out that the Muslims of Gorazde have made all the necessary preparations for the so-called lifting of the blockade of Gorazde, which is a heavy attack on the Serb territories in cooperation with the Islamic forces on Treskavica. The Serb sources have reported that the members of the Ukrainian UNPROFOR battalion were also a target of the Muslim attack from Gorazde. Namely, the Muslims had the members of the Ukrainian battalion blocked for several hours in the village of Ilovaca, the aim of which was to obtain their vehicles and personnel carriers.

[Announcer] The Muslims violated the cease-fire in the broader Doboj area with infantry fire today. Zeljka Tomic reports.

[Tomic] On the Doboj front, there was occasional enemy infantry fire west and southwest of Doboj, but there were no casualties among the Serb soldiers. On the Trebava front, the cease-fire was mostly observed. The only violation of the cease-fire by the Muslims was infantry fire from (?Sofici) aimed at the Serb positions northeast of Doboj. There were no casualties on the Serb side, and the Army of the Srpska republic did not respond.

[Announcer] The joint units of the Croatian Defense Council [HVO] and the regular Croatian Army attacked the Serb defense positions in the Kupres area. We will hear a report by Stevan Panic.

[Panic] The four-month cessation of hostilities agreement was violated today on the Kupres front. Namely, there was infantry fire from the Kurljaj area, coming from the joint units of the HVO and the regular Croatian Army and aimed at the Serb defense positions in the Kupres area. Soldiers of the army of the Srpska republic have observed the movement of enemy vehicles and buses between Suica and Kupres, and between (?Pogledace) and (?Vucine).

[Announcer] The area of the Sarajevo-Romanija Corps was also not peaceful today. Zeljko Radovanovic will provide more details.

[Radovanovic] Despite the many protests that the Serb side sends through UNPROFOR regarding the increasingly frequent cease-fire violations in the area of the Sarajevo-Romanija Corps, the Muslims have continued to carry out combat activities. Today at about 1300, there was fire coming from Ilijas Municipality, and one Serb civilian was wounded. In addition to activities aimed at the Serb defense positions, the Muslims continue to attack the routes and facilities that they consider to serve military purposes. Moreover, the enemy forces have been working on bringing in more soldiers and equipment, particularly in the Igman and Treskavica area. Our soldiers are, unfortunately, increasingly forced to provide adequate responses to such Muslim activities.

[Announcer] Referring to the report of the 2d Semberija Brigade, Serb military sources reported today that the Muslim formations from Tuzla and Zivinice have been concentrating forces and equipment in Celic, 20-km south of Brcko. According to the same source, a military police battalion of the Muslim 2d Corps and commando groups from Tuzla and Zivinice, which call themselves the Wasps of Zivinice and the Mosque Pigeons, arrived in Celici. Serb military circles have pointed out that all the above indicates that the final preparations for the beginning of the spring offensive are being made, an offensive the Muslim political and military authorities announced a long time ago.

UNHCR Sends Further Aid to Bosnian Muslims

LD0803163995 Belgrade TANJUG in English 1610 GMT 8 Mar 95

["Pool" item]

[FBIS Transcribed Text] Zvornik, March 8 (TANJUG)—The U.N. High Commissioner for Refugees [UNHCR] on Wednesday sent 19 trucks with humanitarian aid for eastern Bosnian Muslim towns and Muslim-held part of Sarajevo via the Bosnian Serb republic, Bosnian Serb army sources said.

After a routine inspection of the shipments in the town of Zvornik, Bosnian Serbs, as usually, ensured a safe and unimpeded passage of the humanitarian convoys through their territory, the Bosnian Serb sources said.

The sources said that the UNHCR had shipped 41 tons of food, 390 plywood panels and 5.5 tons of heating oil to the eastern Bosnian Muslim town of Srebrenica. The UNHCR sent 32 tons of food, plastic bags, personal care items and 72 sets of kitchen utensils to the town of Zepa and 143 solid fuel stoves to the Muslim-controlled part of Sarajevo, the sources said.

The Bosnian Serb sources said that they had given their approval for Wednesday's logistic shipment from the town of Kiseljak to Dutch peacekeepers in Srebrenica. The shipment includes medical equipment, spare parts and water tanks, the sources said. Bosnian Serb officials in charge of the shipments said they took care that the entire amount of humanitarian and logistic shipments for civilians and U.N. troops be delivered as soon as possible, in keeping with the demands of humanitarian organizations and U.N. peacekeepers.

The sources said that deliveries had only been suspended when NATO launched air strikes against the Bosnian Serb republic. The suspensions, however, were based on decisions by international humanitarian organizations and UNPROFOR [UN Protection Force] commands, not on those by the Bosnian Serbs, the sources said.

Bosnian Currency Without Buying Power

95BA0147D Zagreb VJESNIK in Serbo-Croatian 30 Jan 95 p 10

[Article by Alenko Zornija: "The Beggars Take Only Foreign Exchange"]

[FBIS Translated Text] Even beggars in the streets of Sarajevo take only foreign exchange! This observation, which is a bit ironic, is a good illustration of the relationship still in effect between Bosnia-Herzegovina's official dinar and foreign currencies. That is, numerous beggars, and the war has pushed many to the brink of survival, so that this form of "livelihood" is becoming increasingly widespread, are caught up in a new fad. In front of themselves, in hats or boxes in which they collect alms, the beggars toss only German or Swiss coins! They immediately thrust into their pocket the Bosnia-Herzegovina dinars they collect. Thus, the hat contains the message of what kind of contributions are welcome.

Merchants are also choosy. Stores are very rare in which something can be purchased for the domestic currency, and if someone is after all willing to make such a trade, then the exchange rate is considerably higher than the official 100 dinars for one German mark [DM]. Regardless of the efforts of the Silajdzic government to encourage payment in Bosnia-Herzegovina dinars, the movements that would guarantee the domestic legal tender a better position have been very small. But the position of the domestic currency heads the list of the first integral wartime economic program, referred to as Economic Policy Measures. This is actually the first serious attempt of the government in Sarajevo to guarantee the domestic population some kind of survival from its own work rather than from humanitarian aid arriving in Bosnia-Herzegovina. However, regardless of the praise from Sarajevo media, specialists are very skeptical about this program, and the Croatian ministers in the government have also criticized it. The most recent events in the field appear to reflect all the difficulty of carrying out the Economic Policy Measures.

Under the conditions of a drop in industrial production resulting from expenditure of prewar reserves and the absence of financial injections from outside, it is difficult to perform the fundamental tasks in that plan, especially the one concerning stability of the domestic currency. Some people see the way out in creation of a joint federal currency for the entire area under control of the Army of Bosnia-Herzegovina and the HVO [Croatian Defense Council]. However, fundamental laws in this area have not yet been adopted, and they can hardly be expected before certain other issues are resolved in relations between the federal partners.

Bosnia-Herzegovina's Worthless Notes

Money, which is supposed to be one of the symbols of any state's sovereignty, has for a long time been showing how the authority of the government in Sarajevo has been reduced. Nothing, or almost nothing, could be purchased with it, so that the comparison of the notes of Bosnia-Herzegovina at that time with money for the child's game Monopoly seemed altogether appropriate. Bread was certainly an exception, because its production was subsidized and has been paid for with Sarajevo money throughout the war. Nevertheless, a datum from the Main Sarajevo Bakery that was recently published shows how realistic that price is: "To replace just one tire on its delivery vehicles, they must produce and collect for no less than 50,000 loaves of bread"! Inexpensive bread has, of course, made it possible for many inhabitants of Sarajevo to keep from starving in the most difficult times, but, unfortunately, bread is the only food for many people even today. The money of Bosnia-Herzegovina is still used to pay for daily newspapers, which are also subsidized: OSLOBODJENJE and VECERNJE NOVINE. To be sure, at one time the price of newspapers was only symbolic, while today, following the price increase resulting from the diminished donations of paper from international humanitarian associations, it is a luxury to read a newspaper.

Aside from its very low value, another problem for the money of Bosnia-Herzegovina has been the numerous substitute paper currencies that have turned up in almost all the territories under supervision of the Army of Bosnia-Herzegovina, so that at one point or another almost every town within that area has had its own monetary unit. The most harmless are the scrip issued by restaurants because they had no change, but the size of the problem of money substitutes is illustrated by the fact that until quite recently Hrasnica, a suburb no further from Sarajevo than the width of an airport runway, had a different system of payment than the one in the city itself!

Most of the substitutes have been eliminated with the recent promotion of the single Bosnia-Herzegovina dinar, but that has not eliminated the other deficiencies of the system.

Payments are being made, says Kasim Omanic, secretary in the Finance Ministry. However, practical problems do arise. The recent payment of pensions already several months in arrears was postponed by the lack of small denominations, even though an effort was made to "round off" the amounts of the pensions....

The Highest Pension, DM15

Few people protested the lateness! Which is no wonder, when you look at the amounts. According to the official figures, the lowest pension that was to be paid amounted to 133 dinars, or slightly more than DM1 at the official rate. The guaranteed pension is 648, the average 544, and the highest state pension 2,343 dinars, for which an incredible DM15 can be purchased on the black market. The paychecks of workers, many of whom are on what is called "waiting" status, are also symbolic, and mainly they can be used only to pay for the lowest utility bills.

The weekly BOSNJACKI AVAZ recently published the salaries of the highest government officials. According to AVAZ, Ejup Ganic received 23,000 dinars in 1994, which barely exceeds DM10 per month. Alija Izetbegovic is only in a slightly more favorable position, because he supposedly got about 24,000 dinars at the treasury of the state's Presidency. If the information published in AVAZ is accurate, and if this payment is the only source of income for the leaders of Bosnia, then Ganic and Izetbegovic would have a hard time paying the most ordinary electric bill with their salaries.

In other words, recently the government Elektroprivreda [Electric Power Industry] attempted in a series of unpopular moves to collect for consumption of electric power (now limited to only 100 kilowatt-hours [kWh] per household) in foreign exchange! And in amounts that the average retired worker, or even member of the Presidency, would have difficulty earning in several years. Many blamed that move on Edhem Bicakcic, a high official of the SDA [Democratic Action Party], who, aside from his party duties, is also director of the government Elektrodistribucija [Electric Power Distribution Company]. The decision was withdrawn after numerous protests, but it was Bicakcic who had to pull the "chestnuts out of the fire."

A Government Regulation and Earnings for Smugglers

With an average or even extremely high paycheck, an individual is not entitled even to be sick! Scarce drugs are being sold exclusively for foreign exchange in so-called Pharma Shops, and in practice it is impossible to get them with merely a doctor's prescription.

The cosmugglers of foreign exchange are a separate chapter in the story about Bosnia-Herzegovina money. They gather at places where they gathered even before the war, near the main market. The business is the same as it used to be. So is the business philosophy: "Buy cheap, sell dear." However, the difference in earnings is drastic. "Turnover has fallen off at least 70 percent from before the war," says Hasan, one of the illegal traders in foreign exchange. "But then there were at least five times as many of us," he adds.

"We do this just to pass the time between trips to the battle line," he says in explanation for the several hours he spends freezing in front of the entrance to the market. The police are on patrol not far from the group of smugglers. They are not particularly interested in the currency traders. They are much more interested in those under military obligation who have perhaps evaded the mobilization.

A recent tax decision of the government has brought the smugglers real business. Owners of stores now come to the smugglers to exchange foreign currencies at a rate more favorable than the one in the bank. "We may exchange as much as DM200 a day," reveals Dzemal, one of the illegal currency traders. He has come to Sarajevo from Sandzak, because there, he says, he could no longer stand the Serbian terror. "Our profit is between 10 and 15 percent, so you can figure up how much you can make at this job." Asked whether they think they are doing something unlawful, they reply in the negative, saying that for some people this is a way to survive in the city under siege.

When asked whether they missed their Serbian "colleagues," who have perhaps gone over to the other side, the older and more experienced in this business, those who "dealt" in foreign currencies even before the war, say: "The Serbs did not work on the street. They had much better ways of stealing from the state"!

Bosnian Serbs on Relations With Other Serbs

94BA0170E Belgrade POLITIKA in Serbo-Croatian 14 Feb 95 p 12

[Article by D. Kecman: "Serb-Serb Relations the Most Important Topic"]

[FBIS Translated Text] Samac, 13 Feb—The 49th Session of the National Assembly of the RS [Srpska republic] opened today in Samac; in its morning session the discussion was devoted mostly to the issue of deputy credentials and a letter from a group of seven deputies belonging to the newly established Independent Caucus.

One topic had to do with Serb-Serb relations and the discussion that RS business executives had with Slobodan Milosevic, Serbian president, with special emphasis put on political and economic relations between Serbia and the RS, since the RS economy has been hurt drastically by the severing of relations.

What About the Letters From Serbia?

This session was covered fully by the media, especially in the Belgrade press. Milan Dodig, deputy of the reform forces in Laktas who is president of the Caucus of Independent Deputies, promised that the independents would persist in their demand for signing the Contact Group plan, not as a final solution, but as a point of departure for resolving the crisis in the Balkans. He also said that he would demand to know why signatures were being collected in the intermission of the session for removal of Miroslav Toholj, information minister.

Stanko Blagojevic, a deputy from Modrica who is a member of the Independent Caucus, mentioned that it is not clear how the sudden break in Serb-Serb relations occurred or why most of the deputies were not made aware of the letters from Serbia that were addressed to the RS Assembly. This deputy supported Milan Dodig, but he mentioned that it is also democratic to express the opposite opinion.

Before the session began, the story circulated unofficially that the seven independent deputies might even be expelled from the parliament, but that did not occur during the morning proceedings. Perhaps one of the reasons was the opinion of Professor Mitar Miljanovic, deputy of the SDS [Serbian Democratic Party], whose assessment is that the objective of all the efforts is the same, only the strategies are different, and that we should expect a civil debate even though opinions on this problem differ.

Union With the RSK Postponed for Another Occasion

The tone of the debate of the status of the deputies concerning the letter of the Caucus of Independent Deputies was similar. There was also debate of the decision of the RSK [republic of Serbian Krajina] in favor of union with the RS, but it was resolved that this was too serious a topic to be debated ad hoc and that a session on that should be thoroughly prepared. All agreed that there is no more important topic than Serb-Serb relations and the severing of Serbia's relations with the RS.

Provision was made for General Milan Gvero to inform the deputies about the military situation in the area where a state of war exists (Petrovac and Drvar) in a closed session, but the deputies demanded that the report on the war situation be delivered by Colonel General Ratko Mladic, chief of staff of the RS army.

During the recess of the session Dr. Radovan Karadzic, RS president, and Momcilo Krajisnik M.A., president of the assembly, visited Hrana-Produkt in Samac, where a new milk processing plant has been opened, a facility extremely important to this region and to the return of the population to an environment devastated by war.

In spite of the announced debate, which will be lengthy, it is expected that the session of the assembly will be completed during the night, and it is also expected that presidents Radovan Karadzic and Momcilo Krajisnik and their associates will travel to Banja Luka and spend several days in that area.

Tudjman Makes Progress in Talks With Christopher

LD0903122395 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 9 Mar 95

[FBIS Translated Text] Let us first hear the news we have just received.

The president of the republic, Franjo Tudjman, today spoke on the phone with U.S. Secretary of State Warren Christopher, the president's office has announced. During their conversation, they made further progress in the coordination of their views on the issue of the international community's presence in Croatia to safeguard the peace process of solving the problem of the [Croatian] occupied areas after the expiry of the UNPROFOR [UN Protection Force] mandate, the statement says. It adds that following the recent talks with the representative of the U.S. Government and President Bill Clinton, Under Secretary of State Richard Holbrooke, President Franjo Tudjman yesterday received U.S. Ambassador to Croatia Peter Galbraith.

Butrus-Ghali: Withdrawal 'Would Be Disastrous'

LD0803151795 Belgrade TANJUG in English 1444 GMT 8 Mar 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, March 8 (TANJUG)——U.N. Secretary-General Butrus Butrus-Ghali has said the U.N. withdrawal from the war-affected parts of the former Yugoslavia would be disastrous and its price far higher than the continued presence of the U.N. peacekeepers.

If we (United Nations) withdraw only an inch from Croatia, it will be a real disaster not only for the United Nations but also for Europe, Butrus-Ghali said in an interview published in the latest issue of the privately-owned Belgrade weekly TELEGRAF. He said U.N. estimates showed the withdrawal of the U.N. Protection Force would require between five and seven months.

We are now using all our energies to press all warring sides into accepting the simple fact that only the United Nations, as a neutral force, may secure a road to a lasting and stable solution and that our troops should therefore remain where they are, the U.N. secretary-general said.

The U.N. Protection Force for the former Yugoslavia was deployed in March 1992, first in Croatia and then in Bosnia-Herzegovina. Croatia and Bosnia-Herzegovina account for about 44,000 of the total of 62,000 U.N. peacekeepers deployed in the world. The U.N. peacekeeping mission on the territory of the former Yugoslavia is the biggest and one of the most complex ones.

Croatian authorities in mid-January announced they would deny hospitality to the 15,000 U.N. peacekeepers or so after their mandate expired on March 31 and would give them three months to pull out. The U.N. troops were deployed to separate the warring Krajina Serbs and Croats until a definitive solution to their conflict.

The U.N. Protection Force cannot stay on with the number of troops and the mandate it now has, Butrus-Ghali said in the interview.

There is no political readiness of the warring sides truly and sincerely to negotiate a lasting peace. Our troops are lightly armed and are present to maintain peace and not reach political solutions, the U.N. secretary-general said. He called for a clarification of the U.N. Protection Force's mandate and said it was something else if the United Nations had the task adequately to respond at all times or to establish peace.

Butrus-Ghali said the U.N. withdrawal from Croatia would create dangers for the U.N. troops in Bosnia-Herzegovina and three basic options had been defined with that in mind and given to NATO to elaborate. He said one variant was for the event of the U.N. withdrawal only from Croatia, one for its withdrawal only from Bosnia-Herzegovina and one for the withdrawal from both Croatia and Bosnia-Herzegovina.

Cancellation of Mikelic Vote Jeopardizes Stability

LD0803213895 Belgrade TANJUG Domestic Service in Serbo-Croatian 2030 GMT 8 Mar 95

[FBIS Translated Text] Knin, 8 Mar (TANJUG)—The deputies who launched an initiative to dismiss the prime minister of the republic of Serb Krajina [RSK], as well as the spokesman for the office of the Krajina president, said in Knin this evening that the decision by the RSK Assembly not to hold a discussion on confidence in Prime Minister Borislav Mikelic is a serious breach of the Constitution.

President's Spokesman Petar Damjanic said at a news conference that today's decision by the Krajina parliament will have a negative impact on the RSK's internal stability.

Asked what RSK President Milan Martic will do now that his request has been rejected, Damjanic said that the president will "act in line with the Constitution and the law," and that he will do everything he can to preserve the RSK peoples' national interests. Damjanic declined to comment on possible specific steps.

Branko Vojnica, chairman of the Serb Radical Party [SRS] Executive Committee, said that the refusal to debate confidence in the prime minister "is a way of bypassing the system institutions," and that it will only precipitate undesired consequences.

The RSK Assembly today removed from its agenda the proposal to hold a confidence vote in Prime Minister Mikelic. Thirty seven of the 62 deputies attending the session voted against the debate. The SRS deputies walked out of the session before that.

Mikelic Wins Confidence Vote

LD0803164095 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 8 Mar 95

[FBIS Translated Excerpt] Ivana Sutlic-Peric has just reported from Belgrade that the so-called Knin assembly passed a vote of confidence in Borislav Mikelic.

[Begin recording] [Sutlic-Peric] This has only confirmed earlier speculation in Belgrade that Milan Babic will come out of the Martic-Mikelic conflict as the main arbitrator, and according to some, even the only victor. The first reports from Knin, which arrived in Belgrade in the early afternoon, announced that the outcome of the vote of confidence will be in Mikelic's favor, owing to Babic. This came about after two members of Babic's SDS [Serb Democratic Party of Krajina] were appointed to the government at the beginning of today's session. Slobodan Peric was appointed the first policeman [minister of internal affairs] and Drago Kovacevic was appointed the so-called information minister in Mikelic's cabinet. [passage omitted] [end recording]

Martic Criticizes Assembly

LD0903134495 Belgrade TANJUG Domestic Service in Serbo-Croatian 1236 GMT 9 Mar 95

[FBIS Translated Text] Knin, 9 Mar (TANJUG)—The removal from the [Assembly] agenda of a request by the president of the republic and a group of deputies for the dismissal of the prime minister of the republic of Serb Krajina [RSK] is "the most blatant violation of the basic principles on which state and democratic parliamentarianism rest."

This is stressed in a statement by the information service of the RSK president in connection with yesterday's Assembly decision to remove from the agenda the request to hold a vote of confidence or no confidence in RSK Prime Minister Borislav Mikelic.

The statement goes on to stress that the request for the dismissal of Prime Minister Mikelic is based on the provisions of the Constitution, according to which the Assembly does not have the right to decide whether a debate on this proposal should be held or not.

There is a constitutional obligation, the statement stresses, for the request to be included in the agenda, for a debate to be held, and, finally, for a vote of confidence or no confidence to be held. This constitutional obligation, the statement goes on to say, was breached primarily by Rajko Lezajic, president of the parliament, and by "the voting machinery that, hidden from the eyes of the public, ignored the Constitution and the parliament's rules of procedure by applying sheer force and simply removing from the agenda the request for dismissal of the prime minister that was put forward by the president of the republic and a group of 20 deputies."

By doing this, the statement adds, "they delivered a direct blow to the country's constitutional system, and the parliament has been reduced from its status as the supreme legislative body to a voting machinery that can violate—in line with the wishes of certain individuals or groups—the Constitution or twist it to suit their own interests, which are aimed at merciless power struggle."

The statement also says that the obstruction of the debate on the dismissal of the prime minister "clearly confirms the correctness and justifies the RSK president's claims about rampant corruption and the crime rate in society, as well as about the efforts to conceal the truth from the public."

The statement warns that the appointment of the interior minister, without prior consultations with the president of the republic, is an unconstitutional action. It also warns that the head of state "is forced to take measures that will protect the Constitution and the country's defense capability, as well as its political stability and the basic national interests."

The statement stresses, in conclusion, that the public will be informed about everything in a timely and detailed manner, including the reasons why the initiative for the dismissal of the prime minister was launched.

SVK 'Will Respond on All Fronts' to Attack

LD0803183195 Belgrade BETA News Agency in Serbo-Croatian 1731 GMT 7 Mar 95 (Tentative)

[FBIS Translated Text] Knin, 7 Mar (BETA)—General Milan Celeketic, the military commander of Krajina Serb forces, said today [7 March] that the Serb side will "respond on all fronts and with all its military corps" to any possible Croatian attack.

He told Radio Knin that the Main Headquarters of the Serb Army of Krajina [SVK] "had worked out all the variations of possible Croatian attacks" and that "it will not allow any aggression on a restricted area."

He assessed the formation of a joint SVK, Srpska republic Defense Council as a "normal and logical decision" that the soldiers should implement.

Celeketic said that the Joint Military Command of the Republic of Croatia and the forces of the Bosnian Croats and Muslims that was formed yesterday [6 March], was "artificial and unconvincing." According to him, the SVK Headquarters is counting "on the worst variation" and is preparing for it.

Martic Warns of Possible Croatian 'Blitzkrieg'

LD0803155195 Belgrade SRNA in Serbo-Croatian 1456 GMT 8 Mar 95

[Received via fax]

[FBIS Translated Text] Novi Sad, 8 Feb (SRNA)—The republic of Serb Krajina [RSK] has missiles named after

Croatian cities—"surface-to-Zagreb," "surface-to-Split," "surface-to-Karlovac"—RSK President Milan Martic has told the Belgrade tabloid BLIC.

According to Martic, the missiles in the RSK's possession "are not a threat to Zagreb" but "a deterrent and for purposes of peace."

Commenting on the decision by the Croatian leadership and President Franjo Tudjman to cancel the UNPROFOR [UN Protection Force] mandate after 31 March, Martic stressed that Croatia is being supported in these intentions by Germany and some other states.

"In order to realize its threats Croatia could launch a blitzkrieg against the RSK—a sudden attack that could not last longer than five or six days. If this blitzkrieg of theirs fails, and it will, it [Croatia] will lose everything, even what it has now," Martic told the Belgrade tabloid.

Army Said Training 'Special Forces' for Attack

LD0803175295 Belgrade SRNA in Serbo-Croatian 1456 GMT 8 Mar 95

[Item received via fax]

[FBIS Translated Text] Podgorica, 8 Mar (SRNA): In the Dubrovnik hinterland, between Konavle and Prevlaka, the Croatian Army Command, with its headquarters in Arbanasi and Dunave Krajnje, is preparing 12,000 special forces of the National Guards' Corps [ZNG] for a decisive attack on Serbian positions on the Trebinje front in Herzegovina, Acim Visnjic, Montenegro parliamentary deputy and vice president of the Serbian Radical Party, told SRNA today.

"The number of Croatian soldiers on the Trebinje front along the separation lines with the Serbs has been trippled in recent days, and military equipment and ammunition has been considerably increased," claimed Visnjic.

According to Visnjic, in the area around Ivanov Krst, above Poljice, Croatian soldiers have brought in three tanks to the Glavska area and have deployed an entire battery equipped with 120-mm mortars in Stravca. Visnjic added that the Croatian forces have several bunkers on elevation 616 and are armed with antiaircraft guns, cannons, and recoilless guns.

"Four Croatian batteries equipped with 82-mm mortars have been deployed along the Cesmina and Pelinovo Brdo line. Batteries equipped with 80-mm and 120-mm mortars have been deployed around Mali Orah and Veliki Orah, 122-mm howitzer batteries have been deployed in Kuna Konavoska, and a 130-mm battery has been deployed at Dubrovnik's Cilipi Airport," he added.

Armed Forces Hold Military Exercise in Adriatic

LD0803200495 Zagreb HTV Television in Serbo-Croatian 1830 GMT 8 Mar 95

[FBIS Translated Text] In the southern part of the Adriatic, in internal Croatian waters, the Croatian Navy and Air Force held a combined antisubmarine and antimine exercise today. After an earlier exercise code named Poseidon, which focused on air and sea defense against enemy forces, today's exercises demonstrated the ways in which combined forces can counter attempted undersea enemy attacks.

By using towed sonar devices and mechanical and other mine-clearing devices, which, as they were in today's exercises, can also be manipulated by civilian vessels—in military jargon, civilian vessels for emergency use in wartime—the clearing of enemy underwater mines was exercised.

At the same time there were also antisubmarine warfare exercises. That MI-24 helicopters can be effective hunters of enemy submarines was demonstrated by the launching of West-manufactured torpedoes from these helicopters. These torpedoes were directed on the basis of data from patrol boats and using their own means of detection.

For ensuring the safety of forces engaged in antisubmarine and antimine actions, missile-bearing gunboats equipped with the already well-known and effective Swedish RBS-15 missiles were used. A landing craft-cum-mine-laying vessel carried out an exercise in laying mines to counter enemy ships.

All in all, this exercise again demonstrated the capability of the Croatian Armed Forces to take action against enemy attempts to violate our sovereignty and the safety of shipping in the Croatian part of the Adriatic.

Zagreb Planning 'Large-Scale Military Action'

LD0903120695 Belgrade TANJUG in English 1133 GMT 9 Mar 95

["Pool" item]

[FBIS Transcribed Text] Zagreb, March 9 (TANJUG)—Croatia will launch a large-scale military action against the Krajina Serbs in October or November at the latest, the Croatian weekly GLOBUS writes.

Quoting 'most reliable sources in the state leadership' the weekly says that a wider military action cannot be expected before the fall because Croatia is still not ready for war and because it wants to consolidate its cooperation with the Bosnian Muslims.

According to the unidentified source in the Croatian state leadership 'not a single serious military move must be made as long as United Nations troops are in Croatia' because 'politically Croatia would not survive an action in which thirty to fifty French troops would be killed.'

In its previous issue the highest circulation Croatian daily carried exclusive reports that the Zagreb United Nations Protection Force [UNPROFOR] headquarters had halted preparations for the withdrawal of the U.N. peacekeepers from Croatia.

On January 12 Croatia announced that it would not extend the UNPROFOR mandate after its expiration on March 31 even though the task of the peacekeepers who were deployed in March 1992 was to separate the conflicting sides, the Krajina Serbs and the Croats, until the final political settlement is reached.

Croatia is putting off its military action to the fall because it wants to secure, if not support, then at least the tolerance of the international community and to eliminate the risk of foreign troops being killed in the 'Croatian Army's liberation operations,' GLOBUS writes. Under 'liberation operations' Zagreb means a possible fifth armed attempt to establish its authority in the territory of the republic of Serb Krajina.

The republic was formed by Serbs in 1991 on their ethnic and historic lands in response to Zagreb's forcible secession from the then Yugoslav Federation and its downgrading of the Serb people to a national minority.

Valentic, Crnic Comment at Assembly Session

LD0803200795 Zagreb HTV Television in Serbo-Croatian 1830 GMT 8 Mar 95

[FBIS Translated Excerpt] [Announcer] The 24th session of the assembly's Chamber of Deputies, which opened this morning, was suspended this afternoon during a discussion of the agenda. The speaker decided the session would be resumed tomorrow. The controversial topic was the opposition parties' proposal to include in the agenda the discussion of the conditions of work and the public transparency of the assembly's work, in the light of Croatian television's decision [not to broadcast live coverage of parliament sessions] yesterday.

[Correspondent] The session of the assembly's Chamber of Deputies opened with question time. Mirko Tripalo, ASH [Action of Socialists of Croatia], asked the first question. He asked the prime minister [Nikica Valentic] to clarify the situation concerning [Justice] Minister Crnic's resignation and his statement in connection with that.

[Begin Valentic recording] I am prime minister and I cannot influence the appointment methods which are under the competences of other state bodies. ut, as far as the government's competences go, I clearly stated my stances and I stick to them. [end recording] [passage omitted]

[Correspondent] Goranko Fizulic, HSLS [Croatian Social Liberal Party], asked Minister Crnic to inform the deputies about the details from his letter of resignation because most media have not published the letter.

[Begin Crnic recording] I am not a member of any party. I am not a member of any clan, as newspapers sometimes like to say. This is simply my own moral act, and I personally stand behind it. By resigning, I wanted to provoke a debate on the situation in the judiciary. I wanted the judiciary to acquire the constitutional position which it is granted under the Constitution. These are the main reasons. [end recording] [passage omitted]

[Correspondent] The decision of the Croatian TV council, not to broadcast the whole of parliament sessions any more, was also debated. Drazen Budisa, HSLS, believes this decision has changed many things and that the Croatian public was no longer in position to be truly informed about the assembly's work. He suggested that a debate on the issue be included in the agenda or that the session be suspended for the opposition parties to coordinate their activity on the issue. The president of the assembly, Nedjeljko Mihanovic, said this was a rational cut in the transmission of the assembly's work and that the important topics would still be broadcast. The session was postponed until tomorrow with no conclusion on the issue.

Issue of World War II Camp Chief Indictment

95BA0158A Split FERAL TRIBUNE in Serbo-Croatian 6 Feb 95 p 6

[Article by Zoran Daskalovic: "A Criminal in Reserve"]

[FBIS Translated Text] The administrator of the camp at Jasenovac, Dinko Sakic, has come back to the Croatian public—for the time being, just through an interview that he gave in Argentina. In it, Sakic announced the possibility that he might personally return to his homeland at the beginning of next year, and stay there. Can the administrator of the Jasenovac slaughterhouse return to Croatia today? Sakic is convinced, at least judging by his statements, that he can, because today's Croatia is the fulfillment of Pavelic's from World War II, for which he also laid the foundations himself in Jasenovac. Is that really true? Constitutionally and legally, no. The basic principles in the Constitution of the Republic of Croatia state that the Croatian people's historic right to full state sovereignty, among other things, is evident in "the establishment of the foundations of state sovereignty during the period of World War II, expressed, contrary to the proclamation of the Independent State of Croatia (in 1941), in the decisions of the Antifascist Council for the National Liberation of Croatia (1943)...."

That still does not mean, however, that Sakic cannot come back to Croatia after 50 years. He can, but as a person on the list of war criminals, which consequently commits the Croatian judicial system to bring him to trial and either convict him in court or—God forbid—acquit him, because through its admission to the UN Croatia accepted a whole series of international conventions and declarations, including the ones dealing with crimes committed during World War II.

Specifically, back in 1943 the Inter-Ally Conference in Moscow adopted a declaration on German war crimes that established the basis for punishing the Axis war criminals. It was elaborated upon by the London Agreement in 1945 and the Nurenberg Principles (so called because they were applied for the first time in the Nurenberg trial), and through its resolutions in 1946, the UN General Assembly confirmed their legal validity and declared them to be part of international law. That was also all confirmed by the Geneva conventions on the protection of war victims in 1949, which also established the obligation of the signatories to provide for the punishment of war criminals under domestic law. The UN convention of 1968 even established that there was no statute of limitations for war crimes, and all those international agreements, as well as others, were accepted by both the former Yugoslavia and by the Republic of Croatia, during the process of its becoming independent.

The Croatian Ministry of Justice confirmed to us that through international agreements, Croatia has committed itself to punish war criminals from World War II. They did not want to take a position on the specific case of Dinko Sakic, explaining that the initiation of proceedings was under the jurisdiction of the State Attorney's Office, and that the latter, in the event that Sakic became accessible to the Croatian judicial authorities and if all the elements prescribed by law were met, was required to initiate proceedings against him. Sakic himself claims that he is ready to "sit down on the defendant's bench in front of the Croatian national court," because he "sleeps like a baby" and his "conscience is completely at peace." Nevertheless, he is postponing his return: "I hope that at the beginning of next year I will come and remain. We will see."

Really—we will see. We will see whether the State Attorney's Office (or those who are indirectly managing it) will then act in accordance with their obligations, or whether they will mark the butcher's return to his "homeland" by sticking their heads in the sand and thus confirming the idea that he has sown: that Jasenovac is also part of the foundations of today's Croatian state. After all, perhaps Argentina, as a proven friend of Croatia, would have extradited the criminal Dinko Sakic to the Croatian authorities if they had requested that it do so? Because that has not happened, and because everything seems to indicate that forced amnesia about certain things is threatened in any case, a recollection of part of the Jasenovac hell will not be superfluous....

Ustasha Concentration Camp Survivor Interviewed

95BA0158B Split FERAL TRIBUNE in Serbo-Croatian 6 Feb 95 p 6

[Interview with camp survivor Bogdan Jadresin by Petar Doric; place and date not given: "Embankments"]

[FBIS Translated Text] Many people would like to forget Jasenovac, the Ustasha concentration camp in World War II, but some people would like to repeat it. Bogdan Jadresin is one of the people who will never forget Jasenovac, and only wants to "repeat" it in his testimony. Arrested in 1940 because of his membership in the Communist Party, he stayed at Jasenovac from November 1941 to January 1942, and then, after leaving one concentration camp, ended up in another one—Stara Gradiska. He remembers meeting people like Vinko Aljinovic and Maks Luburic, and he has no doubt at all about their historic roles.

[Doric] How did you end up in Jasenovac?

[Jadresin] I came to Jasenovac from Lepoglava. Dr. Vlado Macek put us in Lepoglava, and after the fall of what was then Yugoslavia he abandoned us to Ante Pavelic. The Ustashe took us from Lepoglava to Gospic with the intention of killing us and throwing us into the Jadovna pit on Velebit. Because the Italians were expanding the area they occupied and attacking toward Karlovac, however, the Ustashe transferred us to Jastrebarsko, then to Koprivnica, and finally to the Zagreb police. We were visited there by Maks Luburic, to whom one Siriscevic, a coastal worker from Split, said: "We are Dalmatians, and we were arrested before the NDH [Independent State of Croatia]; let us go home." Maks Luburic answered him, "I know quite well who you are, but we are at war now and we cannot let you go; instead, you will go to a comfortable camp where you will live well, but you will have to work for the NDH." If that Siriscevic had not said that, I think that Maks Luburic would have already had us killed then in Zagreb.

[Doric] You were sent, then, to a "comfortable camp...."

[Jadresin] It was anything but "comfortable." I remember that they brought us through a lot of mud, because the Sava had overflowed its banks. Afterwards we worked there, but there were very many bodies of dead, slaughtered people in the embankments. I was housed in the barracks for Catholics. There were many barracks, and people were classified as Catholics, Orthodox, Jews, Gypsies... but afterwards they were simply categorized as women and men, children... and there were also mixed barracks. It all depended on the time that the Ustashe had available for classification, and on the number of people in the camp.

Camp Without Germans

[Doric] Were the camp guards Ustashe or Germans?

[Jadresin] Ustashe! I really ever saw any Germans at Jasenovac. They came very rarely, probably only when they needed fresh laborers to work in Germany. They probably also came as advisers to visit the camp administration, but we inmates could not see that. The Ustashe were much, much worse than the Germans in their atrocities, however, and it would have been better to go to work in Germany than to stay in Jasenovac. You know, every one of the Ustashe had complete freedom to do whatever he wanted with the inmates. He could strike or kill anyone in any way, and did not have to answer to anyone for it. One had to be very quick-witted and capable in order to survive. At the same time it was also necessary to be both a psychologist and a sociologist.... You never dared to look an Ustasha in the eye, because you would have been killed immediately. When you felt that one of the guards was watching you, you had to undertake some job immediately, just so that it would appear that you were useful and that you were working.

[Doric] How many people were housed in those barracks?

[Jadresin] The one where I stayed was perhaps intended to hold 80 people, but there could be 350 of us, or even more. We were stuffed inside like bees. After a few weeks people started to die in the barracks as well. Some from hunger or cold, some from illness or beatings.... Every morning they threw about 20 or 30 out of every barracks.

Not a Day Without Butchery

[Doric] Did you receive food at Jasenovac?

[Jadresin] No, we looked for it ourselves, rummaged around in the fields, looked for corn cobs.... There was no food.

[Doric] How were the executions done? Did you attend any executions of prisoners?

[Jadresin] People were killed with wooden mallets, and many times people were released to "escape" toward the Sava, and then they fired on them with machine guns, but mostly... most of the inmates were butchered. Those guards were people with completely disturbed minds, and many of them could not go a day without killing or butchering dozens of people. One Ustasha, Pudic, is well known. He carried a special knife, fastened to his hand with leather straps, with which he cut open prisoners' entrails. I personally watched the former priest Filipovic—who changed his name to Majstorovic after he joined the Ustashe—killing people. Otherwise, I had some fortune in the midst of misfortune, because I was one of the "craftsmen"; I was a shoemaker, and so I spent most of my time at Jasenovac in the craft shop, and for that reason I also went to Stara Gradiska later on.

[Doric] You said that the people were divided among the barracks in accordance with their religion or nationality. Was it an advantage to be a Croat?

[Jadresin] At some moments it was. Many more people were brought to Jasenovac than the camp could accommodate, and so when Serbs, Jews, or Gypsies were brought in, many of them were killed immediately upon their arrival, so that they did not even come to the barracks for lodging. Some other things happened at Stara Gradiska, however, and then the Croats fared the worst. For the most part, when there was a crowd of people, you had more of a chance to survive if you were in a crowd of Croats, but individually... especially in Stara Gradiska, perhaps it would have been better not to be a Croat.

Cries From the Cell

[Doric] Why was it more difficult to be a Croat in Stara Gradiska, if the Ustashe were running the camp there, as in Jasenovac?

[Jadresin] Stara Gradiska had a "roof" and was not in the open like Jasenovac, but that was its sole advantage. You cannot comprehend what was done to people there. Maks Luburic and Nikola Gazdic ordered that 20 selected prisoners, all of whom were Croats, were to be locked in a cell for two or three people. That was in March 1942, a terrible winter. They did not get even blankets, or food, not even water, nothing... They were locked up, crammed together like that, and left to die. The rest of us prisoners did not know where those people were, but then soon we could hear their screams. Afterwards we found out from the guards what had happened there. Actually, we had one "contact," the camp gravediggers, who were selected exclusively from the ranks of Orthodox or Gypsies.

[Doric] Then it was better to be a gravedigger than a regular prisoner?

[Jadresin] Yes, it was better to be a gravedigger, but if you had any humanity in you, you could not have been satisfied with that job. I will explain that later; let me finish my story about the cell that we called "number three." The days thus passed, but one could not approach the cell, because the guards had the assignment of watching to make sure that no one brought the prisoners water or food. Ten, 20, and even 30 days passed, without the Ustashe even opening the door of the cell. During that time three, four, five people died, whose corpses remained in the cell among the living, even though they had already decomposed and stunk horribly. The Ustashe did not allow the gravediggers to drag them out of the cell. Voices were heard, however: "Take the dead ones away from us," or "Give us water." There was no answer, except for derisive shouts, of course. Admittedly, once Maks Luburic did come, and according to later testimony by a guard, said: "These cells are wonderful; they were created for our enemies." At the end of May 1942, the last prisoner in that cell died. It was only then that the gravediggers entered with the assignment of taking out the dead, burying them, and cleaning the cell for the next group of unfortunate people. Branko Jakopcevic, one of the gravediggers, saw on the upper left side of the wall a list of the names of the prisoners in the order of their deaths. My friend Vinko Aljinovic died on the 47th day. The gravedigger Aca allowed me to go see him, i.e., to see his corpse. I would have much preferred not to see it.

Death for the Helpless

[Doric] Are you talking about Vinko Aljinovic, the national hero from World War II, for whom the Split refrigerator company was named, whose name has now been changed?

[Jadresin] Yes, I am talking about that Vinko Aljinovic. This... that is, about the graves... Aca, or Aleksandar Altarac, who allowed me to see Vinko, was a gravedigger whom the Ustashe killed, one of many who were killed in Stara Gradiska for the same reason. It often happened that people, after the butchery, were still alive, but the gravediggers had to bury them anyway. When they butchered a good friend of that Aca, the murderer deliberately cut up the person so that he would stay alive. They told Aca, "Bury him!" The butchered person was still showing signs of life, he looked at Aca, perhaps he even tried to say something, I don't know... Aca hesitated... he could not bury a live person, his friend. The Ustasha who butchered him, or rather did not completely butcher him, saw this and told him, "Aca, since you're his friend, finish him off and end his suffering. Here is a bayonet for you; I will put it in for you. Go on, kill him!" Aca couldn't do it.... Perhaps you can guess what happened to him. They butchered him, too.

[Doric] Did such horrors bypass you personally?

[Jadresin] Look, I don't want to tell you about anything except what happened to me personally, and I was in Jasenovac from November 1941 to January 1942, and in Stara Gradiska from January to December 1942. Don't forget what I told you; it was only Croats who entered those death cells in Gradiska, or at least mostly Croats, and it was not just anyone, but mostly communists. I was also in a cell, similar to the one in which Vinko Aljinovic died.

I was there for 13 days, together with my brother and several other comrades. We cut the veins in each other's arms, but we did not die.... We were in a sort of delirium, when a voice reached us: "Don't kill yourselves." That was repeated night after night. That was our friend Nikola Mardesic, from Komiza, who died in a similar cell, i.e., without food and water. They let us go, in response to persistent requests from a prison officer. Specifically, he spoke in favor of us, saying that we were good craftsmen. Another group of comrades, however, was in that kind of death cell for 42 days, and after four of them had died, some sort of commission came from Zagreb to assess whether the rest of the prisoners could live at all, after so many days spent without water and food. The commission's assessment was that they could not be returned to a normal life, and that they would no longer be capable of working—and so they were all killed, or butchered. The gravedigger Aca, of whom I have already spoken, informed us that in a few of the comrades, after they were butchered, there was almost not even any blood.

Media Reports Increasing Pressure, Control

95BA0173A Podgorica POBJEDA in Serbo-Croatian 15 Feb 95 p 9

[Unattributed article: "Intensified Pressure on Media in Croatia: Party Control"]

[FBIS Translated Text] *In the controlled media—i.e., those close to centers of power—there is increasingly frequent and aggressive expression of a fabricated political reshaping of history, especially affirmation of the ustasha NDH [Independent State of Croatia—1941-45] and of individual high-ranking officials in the ustasha regime, the perpetrators or instigators of crimes.*

Zagreb, 14 Feb (TANJUG)—A parliamentary party, Action of Social Democrats of Croatia, today issued a sharp warning about how pressures on and state—or rather party—control over the media are intensifying.

According to the party's statement, this campaign is a continuation of the trend of unfounded and boorish name-calling and accusations against journalists as well as all individuals on the political and public scene in Croatia who dare to question the policy of the ruling party.

In the controlled media—i.e., those close to centers of power—there is increasingly frequent and aggressive expression of a fabricated political reshaping of history, especially "affirmation of the ustasha NDH and of individual high-ranking officials in the ustasha regime, the perpetrators or instigators of war crimes."

Thus, the Action of Social Democrats stressed that it supports all who do not agree with the suppression of the historical truth about the antifascist struggle in Croatia and who speak out against the barbaric destruction of monuments to participants in that struggle.

The party also expressed its support for the opposition weekly FERAL TRIBUNE, the survival of which is threatened by the imposition of an illegal tax on pulp publications.

The statement by the Action of Social Democrats of Croatia emphasized that it will notify the social democratic caucus of the European Parliament of all these occurrences, accompanied by corresponding documentation.

DPS: Ethnic Serb Issues Not Being Addressed

LD0903110995 Belgrade TANJUG in English 1015 GMT 9 Mar 95

[FBIS Transcribed Text] Skopje, March 9 (TANJUG)—Chairman of the Democratic Party of Serbs [DPS] in The Former Yugoslav Republic of Macedonia [FYROM] Dragisa Miletic said Wednesday the Skopje authorities were unwilling to solve through state institutions questions of ethnic Serbs' constitutional status, information, education and culture.

TANJUG was told that Miletic informed deputy head of the Organization for European Security and Cooperation mission in FYROM George Blais that ethnic Serbs asked for nothing more but also nothing less than what had already been granted to other minorities and ethnic groups in the FYROM. Blais, who initiated the meeting, was especially interested in the problem of education in the mother tongue of ethnic Serb children in the FYROM.

Miletic informed Blais about the denied right to ethnic Serbs to attend religious services in their mother tongue, conducted by ethnic Serb priests in their own churches, although all international conventions for human rights protection guaranteed this.

According to the latest 1991 census, ethnic Serbs accounted for 2.2 percent of Macedonia's population of 2 million, although local ethnic Serb and Montenegrin associations claim there are about 250,000 ethnic Serbs in that republic. Ethnic Serbs and Montenegrins have been left out from the FYROM Constitution.

Miletic informed Blais of demolished or neglected local cemeteries and monuments of Serb veterans from the Balkan and world wars.

Falling Rice Production Reaches 'Alarming' Rate

AU0903070995 Skopje MIC in English 8 Mar 95

[FBIS Transcribed Text] The situation of the rice production in Macedonia [The Former Yugoslav Republic of Macedonia] is worse then ever. The areas sown by this crop in 1994 were the smallest in the previous 10 years—only 1,252 hectares, of which a total yield of 6,880 tonnes was harvested, which also presents the lowest produced quantity in the last 10 years.

The situation seems even more alarming if it is known that Macedonia satisfied 45-50 percent of the needs of former Yugoslavia, while now, there is not enough to satisfy even personal needs.

As a result of the structure of production in former Yugoslavia, after Macedonia's gaining of independence, a surplus of rice came up, 10 times greater than the needs on the domestic market. Last year, beside the insufficient production, it was necessary to intervene with an import of 2,000 tonnes of rice.

Comment on 'Weapons Case' Final Verdict

95P20580A Skopje FLAKA E VELLAZERIMIT in Albanian 17 Feb 95 p 3

[Article by Ilir Ajdini: "The Judicial Epilogue of the 'Weapons Case'—Capital for External Use"]

[FBIS Translated Text] Ethnic Albanians here learned from the media of Macedonia [Former Yugoslav Republic of Macedonia, FYROM]—although the ethnic Albanian editorial staffs were not informed of it—that the Skopje circuit court handed down a decision Wednesday on the appeals of the 10 ethnic Albanians and their attorneys against the June 1994 ruling of the court of the first instance. The court of the first instance (Communal Court II in Skopje) found the 10 defendants guilty and pronounced sentences of five to eight years' imprisonment (a total of 65 years), while the appellate court (the circuit court) reduced all the sentences by two years. Thus, all the sentences have been validated. Mithat Emini and Hasan Agushi will have to serve six years in prison; Resmi Ejupi, Selam Elmazi and Shinasi Rexhepi, five years; Hysen Haskaj, Aqif Demiri and Abdiselam Arsllani, four years; and Burim Murtezani and Eugjen Cami, three years. The prior decision calling for Hasan Agushi's permanent expulsion from Macedonia, after he serves his sentence, was confirmed.

In the justification of this decision (21 pages long), which was presented by Dane Iliev, head of Communal Court II in Skopje, along with the magnitude of the new sentences, the following attracts the most attention: the statement that "it has been confirmed that all the persons accused and sentenced by the court of the first instance are guilty of joining together for the purpose of hostile activity: overthrowing the constitutional system of the Republic of Macedonia by violent means, (on the basis of Article 136 of the Penal Code of the Republic of Macedonia)." This means, in other words, that the court of the first instance had been completely right when it handed down the sentences. And, since this decision is based completely on the indictment and the evidence of the Office of the Prosecutor, this means that the higher court is of the opinion that the Office of the Prosecutor (with the assistance of the investigator's office and the police) carried out its work in an ideal manner, as its counterparts rarely do in today's world.

In short, this is the process: The police "discover" all the transgressions the 10 people committed. The investigative organs confirm these "discoveries." The Office of the Prosecutor has high regard for the discoveries of these two departments and draws conclusions on the basis of which it prepares an indictment (which, as we see, will prove to be an ideal one). The court of the first instance likes the indictment so much that it appropriates it in its entirety, changing only its title—and now it is called a sentence. The appellate court, in its abovementioned sentence, expresses its gratitude to all those we mentioned for carrying out their duties with brilliant success. In the meantime, following the example of the state in which it operates (and following the democratic traditions of the former system), the Macedonian judicial system is extremely democratic and humane, and the last court shows compassion for the sinners and reduces their sentences. So there will not be any misunderstanding, however, it stresses that this is only for humane reasons or, as it says in the sentence: "only for reasons related to the health and the material needs of the accused and their families!"

In any case, despite the efforts of Minister [of Interior] Frckovski to convince the U.S. State Department and the people here that there is nothing political in the trial and sentences of the ethnic Albanians, we cannot get rid of the "impression" that it was the state that made this decision, along with all the institutions we mentioned above. Asking "why," we think you will agree, would be superfluous in this case. Nevertheless, we will try to give an answer. In keeping with the saying "a lie repeated a number of times becomes true," with the insistence that there be not even the slightest deviation from the indictment at any level of the judiciary, the belief in the reasonableness of the court decision tends to become reinforced. The publicity about the "examination of the appeals of the accused and their lawyers" that occurred a month ago was part of this. At the time, we called it a farce, and unfortunately, that is what it turned out to be. The purpose of all this was to demonstrate to the outside world the "high level of democracy" in the judicial system and in the country in general, which would be confirmed by the humaneness expressed recently. We will see if this aim has been achieved. But even if it has not been achieved in its entirety, Minister Frckovski will always be prepared with powerful arguments to convince any critics that they are mistaken.

From all we have said, we can conclude that, by its decision to reduce the sentences of the 10 ethnic Albanians and not to absolve them of their guilt, the Macedonian government (by means of its judiciary system) has indicated that it does not intend to cancel the sentence given to them (or which it created itself?), and intends to exploit it to the maximum. In this manner, it has created good capital for justifying, before the world, its own actions (its current actions or those which, when necessary, it will undertake in the future) with a view to resolving the problems with the ethnic Albanians.

In this context, even had the sentences been commuted completely (since, in the "bazaar" there is manipulation of various types of amnesty), the failure to accept the innocence of the 10 ethnic Albanians (which is the essence of the most recent decision) would have the expected effect. Now the Macedonian government still has an "argument" in regard to the "aims of the Albanians," if it wants to present it. And we know that the "medicine" will be used, according to the "disease."

VMRO-DPMNE Official on Election Boycott

95BA0161A Skopje NOVA MAKEDONIJA in Macedonian 8 Feb 95 p 4

[Interview with Dosta Dimovska, of the VMRO-DPMNE, by Lilica Kitanovska; place and date not given: "We Did Not Agree To Provide the Alliance With an Alibi"]

[FBIS Translated Text] *The boycott is an historical step toward democratization. There are no party "purges." The analysis of the electoral forgeries was made wherever necessary. We are amending political action tactics.*

Rather pompously, the VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity] announced its withdrawal from the second round of the parliamentary elections, claiming that "it will not participate in the dishonest play contemplated by the parties in the Alliance for Macedonia." This was interpreted by the media as betraying their voters who were left without representatives in the legislature. However, three and a half months later, the VMRO-DPMNE was still insisting that "this was the proper step, for the state in its entirety must feel the absence of this party. In order to achieve this, naturally, time is needed, a time which the VMRO-DPMNE is prepared to provide." Whether all this indicates an actual weakening of its position or a deliberate change of tactics, as the party claims, will be seen subsequently. Broader considerations within the party concerning the situation in which the VMRO-DPMNE and the state, as a whole, find themselves, are provided in the interview with Deputy Chairman Dosta Dimovska.

[Kitanovska] Mrs. Dimovska, my first question is whether you think that it was an error to boycott the elections, considering that as a result of the first round your party had a real opportunity to send some 10 representatives to parliament?

[Dimovska] The boycott of the elections by the party and the other opposition parties is a historical step, a contribution to the democratization of our fatherland. The fact that half a million people, freed from fear, came out to protest throughout Macedonia [The Former Yugoslav Republic of Macedonia], means a "no" to the government's forgery of the elections on the state level. With the boycott they spoke out against the regime-dominated structure of the parliament, as had been previously said by the minister of police and some newspapers supporting the regime; the number of "extremists" and "nationalists" amounts to 10 percent of the members of parliament. With the boycott, the VMRO-DPMNE and the other opposition parties stepped on the tail of the referendum issue of "the right to enter into a union," which was clearly intended by the representatives of the authorities, if we were to analyze their political steps and contacts. Facing a small opposition, the authorities intended to gain legitimacy for steps such as including Macedonia in Yugoslavia, signing treaties with Greece on the change of name and the flag, and so on.

[Kitanovska] Despite this, you will participate in local elections. Why?

[Dimovska] If the necessary laws are passed and if the "gaps" in the electoral lists and electoral commissions, which would eliminate the falsification of elections by the Alliance and on the local level, it is possible that the VMRO-DPMNE may decide to participate in local elections.

[Kitanovska] There is talk of cadre changes and "purges" in the party leadership. How true is this?

[Dimovska] I have read nothing in your newspaper on the fact that Nikola Popovski, the deputy chairman of the SDSM [Social Democratic Alliance of Macedonia], has neglected his functions and that there are quarrels and disagreements within the party. The moment one of our members leaves the party he is immediately a front page topic. There are neither the disagreements nor the "purges" you mention. If there were, your newspaper would have been the first to write about it and, probably, there would have been articles subsequently as well.

Proof of Falsifications?

[Kitanovska] Do you believe that remaining outside of the institutions is a good choice?

[Dimovska] The parties of the Alliance for Macedonia that participated in the preparations for the elections did not select means for the sake of remaining in power, drastically violating the constitutional right of citizens to freedom of choice, the law on the election of a president, the law on electoral units, and the law on the election of representatives. The VMRO-DPMNE refused to serve as an ornament in an illegitimately elected parliament and provide an "alibi" to the Alliance in its agreements with the PDP [Party for Democratic Prosperity] and the legitimization of the dictatorial regime in the eyes of the international public, claiming to be democratic.

[Kitanovska] What proof do you have concerning the illegitimacy of the elected government?

[Dimovska] A government cannot be legitimate if more than one half of the voters have no representatives in parliament, and if this government is constituted by violating the laws, forgeries, and crime. The VMRO-DPMNE published a declaration on the presidential and parliamentary elections, informing the domestic and international public of its assessment that the results of the elections are a forgery organized by the government and cannot be the foundation for organizing a legitimate legal authority in the Republic of Macedonia such as to represent the interests of all Macedonians. Hence, all treaties of a fundamental and specific national interest to the Macedonian state adopted by the illegitimate power are invalid. Some media distorted and interpreted this view as being antistate. A communist regime cannot be identified with the state.

[Kitanovska] You mention alleged forgeries in your documentation. What happened to this?

[Dimovska] The analysis of the electoral forgeries, backed by factual data, was sent to all international organizations involved in the defense of human rights and freedoms. During the elections, there were drastic violations of the law on electoral lists: lack of publication of the electoral lists in public places eight days prior to the elections; in your newspaper, Minister Tuse Gosev gave one number of the sum total of voters; the DIK's [State Electoral Commission] gave a smaller number and, several hours later, that same commission published a third number. The difference in the data affects 10,000 voters. In the course of the elections it became clear that more than 10 percent of the citizens who went to vote were not registered in the electoral lists, there were double electoral lists, and so on.

The Government Is Illegitimate!

[Kitanovska] You have remained virtually silent in the postelectoral period. Are you abandoning any further political struggle or are you waiting for something else?

[Dimovska] It is ridiculous to claim that a political party, particularly one with the strength and influence of the VMRO-DPMNE, would abandon the political struggle. If the authorities want an opposition to serve as a decoration in parliament or outside parliament, a "tool" or shock absorber in trading with the Albanians or purchasing social peace by generating a permanent fear of war, we shall not make this possible for it. We are working on a change of tactics in political action. As to the illegitimate government, its wisest step is to move its headquarters to the building of the SKM [League of Communists of Macedonia] Central Committee building, with which it identified itself both symbolically and politically. Unity of views prevails in the illegitimate parliament and in order to conceal the shame Macedonian television has terminated its live broadcasting of the sessions. The repressive measures taken by Mr. Frckovski have gone so far as to object to the autonomous nature of the university. It is precisely he and other members of the illegitimate government who imposed restrictive measures and threatened to professors at the Pedagogical Academy in Skopje in connection with promoting unconstitutional resolutions on introducing total instruction in Albanian in the affected groups of the academy, which means the gradual restoration of the Albanian university in Skopje. The policy of the Alliance for Macedonia concerning the Albanian demands ever more clearly leads to the federalization and Bosnization of our fatherland.

Crvenkovski's illegitimate government is increasingly leading Macedonia deeper into an economic catastrophe, characterized by a drastic decline of production, lack of investments, domination of the gray economy, and high destructive taxation. Privatization continues to take place accompanied by mass plunder and destruction of state capital, while, abandoned with no social protection, workers are being thrown out on the street.

Only One Weekly

[Kitanovska] Has the party any idea as to its future?

[Dimovska] Presently the party is preoccupied with the study of its previous activities and its own errors. Thus, we must change our tactics of political activities, and engage in preparations for holding the regular party congress, which should refresh the political atmosphere within the VMRO-DPMNE and the structure of the party authorities. At the same time, we insist on the intensification of our international activities and contacts.

[Kitanovska] Would this be at the expense of your attitude toward the domestic media? You seem to be doing everything possible to make contacts with domestic newsmen more difficult.

[Dimovska] This is because Macedonia has only one independent weekly. The press is dominated by the voices of the regime, controlled by the Alliance. There is not a single independent daily, so that we cannot speak of freedom of information and the state of public opinion, which is a basic prerequisite for the functioning of a democratic state. Above all, in all newspapers we are being attacked and subject to various disinformation. Very little space is being given to our party or, more specifically, it is being entirely marginalized. Hence mistrust is logical. In a word, information darkness prevails in Macedonia.

[Kitanovska] Finally, the last question is what are your relations with the Democratic Party [DP]? Your demand for coalition before the elections was rejected. Anything new in that area?

[Dimovska] We believe that prior to the elections the DP was not sufficiently organized to form such a coalition with the VMRO-DPMNE. It is true that we proposed and were rejected, and this strengthened the positions of Gligorov and the Alliance. All I can say is that we have been cooperating much more intensively after the elections.

Nature, Role of Political Conservatism

95BA0117A Skopje VECER in Macedonian 7-8 Jan 95 pp 10-11

[Article by Branko Geroski: "Old-New Conservatives"]

[FBIS Translated Text] *Is there a wave of new antireform trends on the Macedonian political scene?* Perhaps it may be too early to announce that the clear breakdown of the preelectoral Alliance for Macedonia directly confirms the idea that conflict, as a natural mode of democratic life, has already become part of the body of the victorious parties. We propose this concept as a logical predication immediately following the decision of the two most powerful opposition parties (VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity] and the Democratic Party) to refuse to participate in the second electoral round, since it has become clear that political life in the postelection period will no longer involve the "standard" central conflict between the "civil position" and the "national position."

Do the Liberals Like It?

There are at least two major reasons for such caution. To begin with, we can assert that although this conflict in the correlation between "civil position and national position" is relevant for the initial period of Macedonian independence and its firm establishment as a "civil" and not "national" state (all such terms should be accepted with proper reservations), at no point did we implement any aspect of the expected, proclaimed, and partially implemented reforms of the economic and political system that are standard for transitional postcommunist regimes. Throughout those years, the Macedonian "national opposition" neither succeeded in nor leaned toward structuring itself as the political right, and what today could be noted as a modest result of the reforms is in no instance in any way a consequence of pressure from the right. Naturally, this does not diminish the importance of the unquestionable political influence exerted by the VMRO-DPMNE in the independence process of this state, nor could it be claimed that the results are the consequence of the panicky flight of the opposing parties from the left and their flirtation with the political center. This entire game of party positioning actually had no relevant impact on the postreformist deployment on the Macedonian political scene, for this maneuver, characteristic of the leading political elite, or a part of it, was never able to sink deep roots in party foundations, despite what had been promoted as party ideology. Macedonia [The Former Yugoslav Republic of Macedonia] was able to preserve internal peace and tranquillity in the most sensitive areas and to defend its position internationally more or less successfully. However, it is an irrefutable fact today that the implementation of reforms has fallen behind the pace of the successful transitional regimes and the real requirements. Hence the statement by Prime Minister Branko Crvenkovski on the radicalization of reforms in Macedonia is of particular importance in terms of the transitional stage and its future outcome.

We can further state that the fact that the liberals avoided any parliamentary verification of the new government (but not their participation in it), an act that directly marked the breakdown of the Alliance for Macedonia Conspiracy, is still not a sufficient reason to accuse Andov's group bluntly of antireformism. The Alliance was created to serve a clear preelectoral function, but its usefulness has collapsed. The liberals had a right to believe that in a number of areas, their reformist concepts were different from those of the social democrats. One could even grant them the right to an occasional flirtation with the Macedonian public, their flirtation with the VMRO-DPMNE, for instance, having been forgiven. In the final account, as long as the process of dividing up the government pie was taking place, one could understand their occasional marketing efforts and their role as soloists. This is in the past.

Prerequisites for New Conservatism

Briefly stated, what must be discerned in the current conflicts and quarrels is not the so-called influence of narrow party interests or the play of the liberals, or perhaps that of various personalities in the course of this agitated postvictory era for the old political elite. What must be brought to the surface are the concepts and the recognition of a typical system in which such concepts grow into prerequisites for a defined, relatively complete and, as we will prove subsequently, open neoconservatism. Generally speaking, it does not matter whether it is a person like Ljubisav Ivanov who seeks (as he did) the reaffirmation of worker shareholding, based on the Ante Markovic formula, and who talks about a reform that would ensure that not a single worker would be thrown on the street. Nor do we need to be reminded that in their day,the liberals spoke about a concept of privatization different from the current one.

It is important to emphasize that questioning the model now, when it has entered the phase of comprehensive implementation, when an effort is being made to do away with the general opposition of the citizens to privatization, and when social protest is growing, means nothing less than striking a direct blow against this most important reformist step.

To put it differently, that same Ivanov even has the electoral right (both as a socialist and as a ruler of the socialist type) to say what he is saying. However, it must be realized that he is only putting forth the option of a symptomatic compromise between the lobby of the "socialist directors" and the trade unionists headed by Zhivko Tolevski. The essence of this compromise means maintaining the preprivatization agony (neither privatized nor nonprivatized) within which one can most successfully promote what concerned social demagogues would describe as the "plundering of public property."

There can be no doubt that this is a question of promoting a left-wing, prosocialist and definitively antitransitional option, presented (with seeming success, unfortunately) as some kind of newly arisen concern about the fate of the workers. Actually, if socialism, in general, tries to reconstruct itself or even perhaps restructure itself as a system, this entire operation must be launched by striking at the most essential reformist steps. We must keep in mind that from the point of view of the percentile participation of privatized capital in the overall total, Macedonia is still deeply involved with a socialist system. This fact, however, as well as regional trends that might be an indication of a return of the socialists to the political stage (in Bulgaria, Serbia and, to a certain extent, Greece, and their strengthening in Albania, as well as possible upheavals in Russia, and so on), should not, in general, be underestimated.

A Blow Against Political Reforms

We dare to prognosticate that neoconservative forces will attempt to threaten reforms of the political system, wherein fierce efforts have also been made, to restructure the judiciary, in particular. For example, if the announced reform of the judiciary were to result in a legitimate affirmation of the constitutional human rights and freedoms, as has been proclaimed, this would constitute another bone stuck in the throat of the conservatives. The debates on the reform of crime legislation will probably include ideas on making the penal system stricter, and perhaps even the restoration of the death penalty. In the defense sector, the old attitudes of the officer corps toward flexibility in the concept of civil control over defense may be restored. We should also expect opposition to the reform of state administration and the organization of local self-government. It is too early to define all the possible lines of conflict, but we know that the philosophy of the opposition to neoconservatism will be openly anticivil and will oppose keeping human freedoms and rights within the boundaries of framework of the Constitution.

The efforts to compromise the policy of the ruling elite in the area of interethnic relations are already clear. These "actions" are being pursued on two levels. First, there is emphasis on the concept that the policy of real compromise is a policy of "concessions to the Albanians," thus threatening the unitarian nature of the state. And second, the pressure generated by such a policy—that of violating the constitutional and legal framework—is being compromised by the pressure exerted by the state of law or the rule of law interpreted as state repression of the Milosevic type. This logic, unfortunately, still enjoys relatively extensive public support, particularly thanks to the encouragement of the growing xenophobia on the part of the so-called broad popular masses.

It is easy to conclude that it is a question of a relatively consistent system of political concepts that could be defined as neoconservatism. It is conservatism because we are dealing with an obvious trend toward preserving the existing conditions (and eventually, even going slightly backward), and it is new because the clear line follows the antitransition opposition of four to five years ago, when political pluralism developed in Macedonia. These are virtually identical debates and the same social demagogy, the same old phobias. There is nothing illogical in this return to the old quarrels—if the prime minister and his team are firmly resolved to radicalize the reforms, the reforms must be prepared to respond to the same challenges. The favorable influence of the Eastern transitional fever no longer exists, but other unfavorable influences may. This means that today, the reforms must be promoted by our own efforts, and the opposition must be defeated with our own public support, which it is difficult to develop when it is easier to listen to mediocrity and social demagogy.

Peterle Criticizes Terms of Agreement With Italy

AU0803125995 Ljubljana Radio Slovenia Network in Slovene 0600 GMT 8 Mar 95

[FBIS Translated Text] Lojze Peterle, president of the Slovene Christian Democrats, has stated at a general assembly of the Nova Gorica Municipal Committee that it is not at all clear what the negotiators in Ljubljana and Rome have agreed upon. The price that Slovenia will have to pay may be higher than it would have been had Slovenia accepted the Aquileia Agreement. Here is a short report by Marjan Drobez:

[Begin Drobez recording] In the opinion of the president of the Slovene Christian Democrats, the ruling Liberal Democracy did not accept the agreement to be signed in Aquileia exclusively because this would have meant a personal success for Peterle, the former foreign minister, and naturally an outstanding success for the Slovene Christian Democrats.

Peterle emphasized in Nova Gorica last night that the agreement reached with Italy in order for Italy to lift its veto on the talks on EU our country's associate membership does not mention the Slovene minority in Italy, Slovene language education in Veneto, or other obligations of the Italian state contained in the Aquileia Agreement. [end recording]

Court Ruling Says Audit Reports 'Legal Evidence'

AU0903071395

[FBIS Editorial Report] Ljubljana DELO in Slovene on 23 February on page 2 carries a report by Igor Guzelj on a ruling by the Supreme Court of the Republic of Slovenia that renders the auditing reports as public documents that can be used as legal evidence in court.

Explaining the significance of this decision, Guzelj writes that the ruling refers to the auditing reports produced by the Agency for Payment Operations and Audit that have been used in legal cases against individual companies charged with unlawful business decisions and transactions, as well as the appropriation of funds through bypass firms, in conformity with Article 48 of the Law on Property Transformation and Privatization. The reporter writes that numerous legal cases were quashed in the past because the courts ruled that auditing reports were not public documents and could not stand as independent evidence in court. "In other words," Guzelj writes, "the findings of the experts" were treated as noncommittal information in need of additional verification, "even though it was clear to anyone that, apart from the agency's auditors, nobody in Slovenia could do it better, not even the Crime Department."

Guzelj writes that in the past "a phalanx of liberal political economists agreeable to the government circles asserted a theory that the appropriation of billions from the unspecified social property was merely a soap bubble of the Social Accounting Service" while the parliamentary commission in charge of monitoring of the property transformation discussed the agency's periodical reports with a several-month delay. Bearing all this in mind, Guzelj continues, it is no wonder that, after a year and a half, the parliament still has not discussed the suspected "transitional robbery of the century," which, by mid-January, appropriated 737 million German marks worth of capital from the former joint assets of the Slovene citizens.

The reporter likens the supreme court's ruling to "a ray of hope" and says its significance lies in the fact that it is binding for all low-level courts.

Exporters Demand Changes in Economic Policy

AU0903071295 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 8 Mar 95

[FBIS Translated Text] Prime Minister Janez Drnovsek, a group of ministers, and National Bank Governor France Arhar met with the biggest Slovene exporters today. The exporters have long been warning about extremely unfavorable export conditions. Here is a report by Sonja Znidarsic:

[Begin recording] The exporters are ringing the alarm bell. In today's talks with the government team, the 18 biggest exporters, who sell more than 90 percent of their products abroad, warned that the situation is dramatic and that the country's economic policy is outright annihilating for them. Directors primarily pointed to a discrepancy between inflation and the exchange rate. Namely, because the exchange rate does not follow price trends, those who mainly sell abroad, that is, the net exporters, are losing enormous sums of money. They illustrated this with the information that the inflation jumped by 18 percent last year while the exchange rate of the German mark only increased by 5 percent. These trends are continuing this year as the exchange rate is plodding behind the increase in domestic prices. The exporters warn that economic policies are not coordinated, while the tax policy is not performing the role it should.

All those who were invited today to state where and why they have such problems said that the price of capital is definitely too high and the same applies to the burdens placed upon the economy, which is especially affecting the labor-intensive branches. The exporters are also of the opinion that they are bearing the main burden of stabilization. This was graphically depicted by Mura Director Bozo Kuharic, who said that they gave 46 million German marks [DM] worth of taxes and contributions to the state last year. Because of the unrealistic exchange rate of the German mark, Mura lost a further DM12 million.

The economists warn that if something does not change to the exporter's advantage soon, the negative consequences will be inevitable. The economic activity will decline, unemployment will rise further, and so will inflation.

National Bank Governor France Arhar said that a policy of fixed exchange rate with occasional devaluations of the tolar is not a solution because any benefits would be invalidated by the higher inflation. The central bank is not inventing the exchange rate policy, but rather this is based on the supply and demand for foreign currency.

According to Prime Minister Janez Drnovsek, the government will compensate an inappropriate ratio between inflation and exchange rate with a firm anti-inflation policy this year, which, however, will not amount to a shock therapy. The government is also preparing measures to change the interest rate policy, which will take the direction of abolishing indexes and the revaluation factor. In prime minister's words, the ministries will study the exporters' proposals thoroughly and transform the acceptable ones into concrete measures that will safeguard the minimal conditions for the survival of the exporters. [end recording]

Arms-Smuggling From Slovenia to Sarajevo

95BA0170G Belgrade POLITIKA in Serbo-Croatian 15 Feb 95 p 7

[Article by M. Jaksic: "Beginning With Kucan"]

[FBIS Translated Text] Ljubljana, 14 Feb—Saying "It all began with Kucan," Miha Brejc, former head of Slovene security, has confirmed before the investigating commission of the Slovene parliament the truthfulness of earlier testimony that Hasan Cengic, Alija's special emissary for the purchase of arms through Slovenia, gave before the same commission.

At that time, that is, Cengic said that Alija Izetbegovic (in Cengic's presence and with his assistance) agreed with Milan Kucan, president of Slovenia, and Janez Jansa, defense minister at that time, on deliveries of weapons for the Army of the Bosnian Muslims back in July and August 1991. That is, long before war broke out in the former Bosnia-Herzegovina.

Brejc has thus directly accused Kucan of being the chief initiator of everything that later happened in connection with the "weapons scandal." We should recall that Kucan himself admitted at one time that he knew about Alija's needs, using at that time the explanation: "We decided in the Presidency of the Republic of Slovenia to help the Government of Bosnia-Herzegovina in its defense against Serbian aggression."

However, Brejc's most recent testimony and his insistence that the Slovene president also testify before the investigating commission is at this hour raising a number of delicate issues in Slovenia by the very fact that at the time when he was powerful in the police Brejc was Kucan's man, while now he is making what many think to be an unexpected move against Kucan.

However, there is another interesting detail revealed by the Slovene newspaper REPUBLIKA. This seems to concern Cengic's (most recent) testimony, when before the commission, according to what this newspaper has reported to the public, he said that "the last shipment of military equipment from Slovenia left for Bosnia-Herzegovina in the fall of 1994."

If it is found that this is actually true, Slovene analysts estimate, then it will show that Slovenia has continued to persistently violate the embargo against arms deliveries on the territory of the former Yugoslavia, thereby directly intervening in the war, which could additionally worsen its already unenviable international position.

Federal

Weekly Says U.S. Supplying Muslims via Adriatic

LD0803142295 Belgrade TANJUG in English 1404 GMT 8 Mar 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, March 8 (TANJUG)—Belgrade weekly TELEGRAF claims Wednesday that the accusations that Turkey was supplying arms to Bosnian Muslims by way of an airfield near Tuzla was just a smoke screen so that Americans could supply much greater quantities of arms to the Muslims via the Adriatic.

The paper also claims that the powerful world media have played 'brilliantly the roles assigned to them directly or indirectly by the foreign or defense ministries of their respective countries.'

It was precisely this focusing of attention by the powerful world media on Tuzla and Turkey that prompted the daily to direct its inquiry towards arms traders.

Arms dealers, the paper said, found disturbing the fact that the 'Americans are the only authorized buyers of Russian-made Mi-8 helicopters, world renown for their excellent field performance, primarily long-range flying.'

Citing frequently arms dealers, TELEGRAF claims that the Russians were selling older types of their helicopters at bargain prices of between 250,000 and 300,000 dollars but solely to Americans. 'For comparison's sake, wrote TELEGRAF, new types cost between 1.5 and 2 million dollars. Rich Americans in this way can buy from poor Russians this excellent helicopter at discount price. And also be the sole buyers.'

Citing arms dealers, TELEGRAF wrote that 'in the recent months six (Russian) Mi-8 helicopters have been purchased' for the needs of the United Nations in the Tuzla region.

'Considering the existing relation of subordination between the U.N. and the Americans,' analysed TELEGRAF, 'it is clear that only a narrow circle at the U.N. top, Butros Ghali and his military team, and the Pentagon, were acquainted with these transactions.' Furthermore, the paper claims that such covert operations were carried out by way of off-shore companies which have once again bought the helicopters for the Americans.

The weekly compares the Tuzla affair with the affair in which the U.S. secret service, CIA, secretely supplied arms to the 'Contras', anti-Sandinistas, in Nicaragua, despite a congressional ban. U.S. military intelligence services, and of course the CIA, have at the time bought from Israeli arms traders weapons of Soviet and East European origin, seized from Palestinians in southern Lebanon and secretely supplied the 'Contras.'

TELEGRAF believes that a similar operation was ongoing in Bosnia at present and that U.S. experts have swayed the media's attention toward a suitable victim—Turkey. 'After that, the paper claims, supplying weapons the Muslims began.'

The weekly did not deny that the Muslims were being supplied arms by way of the airfield at Tuzla, but set out that this story served only as a smoke screen for a 'possibility to supply the Muslims with literally everything and in much greater quantity by way of the Adriatic.'

UN Human Rights Violations Claim Rejected

LD0803163395 Belgrade TANJUG in English 1553 GMT 8 Mar 95

["Pool" item]

[FBIS Transcribed Text] Geneva, March 8 (TANJUG)—The Yugoslav Government Wednesday most resolutely rejected claims on alleged human rights violations in the Federal Republic of Yugoslavia presented in a draft U.N. document.

The draft U.N. resolution deals with the situation regarding human rights in Bosnia-Herzegovina, Croatia and the Federal Republic of Yugoslavia. It will be discussed by Friday, when the 51st session of the commission is due to close its six-week work.

In a commentary to the U.N. human rights commission, the Yugoslav Government said the commisson was trying to create the impression that there were human rights violations in Yugoslavia, instead of dealing with brutal violations of Serb rights in Bosnia-Herzegovina, Croatia, Slovenia, and The Former Yugoslav Republic of Macedonia.

The commentary said Yugoslavia denied accusations of alleged violations of minority rights with arguments and that it was a state which secured all historical and other rights of minorities and their coexistence with other peoples through its constitution and its implementation.

The accusation that Yugoslavia is avoiding cooperation with special U.N. rapporteur Tadeusz Mazowiecki is entirely incorrect, the commentary said. Since the very beginning of his mission, Mazowiecki had been given access to many documents containing facts in answer to questions which are within his sphere of work and interest, said the Yugoslav Government commentary.

The commentary said the authors of the draft resolution, as well as their predecessors, had failed to mention the seriously threatened population of Yugoslavia and the flagrant violation of their right to survive through the U.N. sanctions imposed against the Yugoslav Federation of Serbia and Montenegro. The rights of these people to health, food, freedom of movement and education are being violated, the commentary said.

The commentary strongly reacted to the opening of the question of human rights in so-called Sandzak, which, as the commentary set out, is the Turkish name for Serbia's region of Raska. Serbs lived there in peace and harmony with all others before outside interference, the Federal Government message said. The commentary also rejected as unfounded Bulgarian accusations that the position of the Bulgarian minority in southern Serbia had deteriorated.

The commentary underscored that the Federal Republic of Yugoslavia had presented to the United Nations its views on the status of the Bulgarian minority which was published in a U.N. document on Aug. 24 last year.

In closing, the commentary told the U.N. human rights champions that all national minorities in Serbia's northern province of Vojvodina cooperated with the Federal Government fully and without any problems, primarily so ethnic Hungarians.

The 2-million-strong population of Vojvodina includes members of 27 nations, national minorities, and ethnic groups, with ethnic Hungarians being the biggest minority group, accounting for close to 17 percent of the province's population.

Bank Governor Announces New Stabilization Program

LD0803164195 Belgrade TANJUG in English 1604 GMT 8 Mar 95

[FBIS Transcribed Text] Belgrade, March 8 (TANJUG)-—Yugoslav National Bank Governor Dragoslav Avramovic has announced a new stage in his economic stabilization program aimed at preserving the achieved stability in production and national currency.

The governor recalled that in January-October last year, the prices and the dinar rate of exchange had been stabilized, that the economy boomed and agriculture recovered—all this without any financial support from abroad and under the comprehensive and mandatory U.N. Security Council sanctions.

Avramovic told an Investbank meeting that as concerted efforts had now to be made as those in January, 1994, when the economic recovery program was launched. What had to be done now, said Avramovic, was to reduce the state's excessive spending, to overhaul the current 'paradoxical tax system' and to review the banks' business operations primarily in granting credits to industries.

Avramovic warned that debtor-creditor relations must be regulated in order to achieve the full legal security as the basic prerequisite for business operations in general and for collecting the debts in particular. The difficulties which showed up in October last year resulted from an unjustified price hike, from what were the world's highest margins, and from 'campaigns' in which certain groups every two weeks were predicting a collapse of the economic program, Avramovic underscored.

This was why restrictive economic steps had to be taken in December, 1994, when, among other things, the prices were returned to last July's level and the salaries frozen, Avramovic said.

Change in Training Considered for Military

95BA0165A Belgrade VOJSKA in Serbo-Croatian No 118, 10 Nov 94 pp 14-15

[Article by Miladin Petrovic: "Reassessment of the System of Training"]

[FBIS Translated Text] Now that the transformation of the Army of Yugoslavia [VJ] has brought significant changes even in combat training, the opinion prevails in many units that a radical change of direction is needed in the system of training. That attitude has also swept through the Command of the 1st Army, where in spite of notable results in combat training, they are very critical of their own shortcomings and of what needs to be changed in the system of training. That fact in itself indicates that slowly but surely the time is passing when reports on training invariably end with the conclusion: "Very good results were achieved, although there were also certain shortcomings."

It is no wonder, then, that our interview with Colonel Djordje Curcin, who heads the Department for Operational Affairs and Training in the 1st Army, began with the problems and shortcomings in combat training. He believes that in a number of units the physical facilities for training, which are scant anyway, are not being used in a planned and professional manner. He is also dissatisfied with the fact that a certain number of officers, especially young officers, are not sufficiently familiar with regulations that pertain to combat training and have not had sufficient quality preparation on a collective or individual basis. The Command is also facing problems of absences from training and so-called verbalism in training, but they are on the way to at least mitigating this "perpetual" problem by reducing the number of soldiers assigned to security and excused for other reasons.

"This year," Col. Curcin said, "we organized several conferences and conducted a number of method-demonstration exercises. Among other things, we conducted demonstration exercises of pontoon units in setting up ferry and bridge crossings and also exercises of air defense artillery rocket units [ARJ PVO], which practiced securing and defending those sites. We thus practiced those two activities and integrated the training of ARJ PVO and pontoon units. At the same time, we also involved commando-scout units and communications units, so that we welded together the training of several arms. Certain units of the river gunboat flotilla also took part in the exercise, but we noted that we were missing RV i PVO [Air Force and Air Defense] aircraft to scout and detect floating targets and to make it possible for the ARJ PVO to practice defense against aircraft."

Those activities were not planned in the Combat Training Instruction, but because of the current military-political situation they are among priority tasks. It was quite natural at this point that we had to have units superbly trained and tested for defense and establishment of bridge and ferry crossings. Later, the emphasis was shifted to the training of ARJ PVO and mechanized armored units, which, according to Col. Curcin, depended on the situation in the neighborhood. Of course, the training of border units and special units has always had that priority.

"Analyzing experience in recent wars," Col. Curcin said, "we came to the conclusion that there would be fewer and fewer conventional combat actions. There is less and less conventional offense and conventional defense. You see, what we once called the specific features of combat operations, such as the attack and defense of a settlement, combat operations in the wintertime, operations in the forest...are now dominant operations. That is why we have a duty to pay particular attention to training for such missions even though there are certain limitations in the training plans and programs and in the Training Instruction. For example, if we are to change something in training, we do not have time to wait for new rules of engagement to be prepared, but must look creatively at every task. This was especially confirmed in the first half of this year, when we were under a definite regime of increased combat readiness. At that time, we had an occasion to check the actual level of training in the units involved. We repeated the activities until we saw that the units were capable of performing the special task assigned them. I must say that it is also the position of our army commander that failure to carry out training or poorly performed training constitute an irregular event in the unit."

Although there is highly critical talk about the training plans and programs in effect and the outdated rules of engagement, Col. Curcin does not believe that this is a justification for poorly conducted training. Problems in the recent war, in his opinion, did not arise because of bad rules of engagement, but because they were not applied. Col. Curcin hopes that a much larger number of people than up to now will take part in one way or another in the drafting of new rules of engagement. He hopes that they will bring together all the experiences from the recent war. He believes that the next period of training instruction will give more freedom to commands and commanders, but also more responsibility in the training process. The prevailing opinion in the Command of the 1st Army is that the new training instruction should state that the unit commander can himself choose which topics to emphasize in training because they are the most important at a particular moment as a function of the use and specific task of the unit. As for the integration of training, they feel that a great deal can be done here by the staff administration of the VJ General Staff. They can provide the initiative for units to come together for joint training in adjoining areas, in neighboring corps or armies, rather than for each to do it separately. In this respect, the units of the 1st Army have already cooperated on the Medja exercise ground with units of the 3d Army. Certain activities have also been agreed upon with the Command of the RV i PVO, and there are plans as well for cooperation with the 2d Army. However, that should also be planned in some way in the Combat Training Instruction, without hindering the commanders from finding their own opportunities for cooperation with neighboring units.

Col. Curcin said at the end that in recent years the entire process of combat training in the 1st Army has been pursued under conditions that did not tolerate improvisation. It is well known that the financial support is scant, that it has not been possible to conduct exercises of quite large formations, that there are not enough sites arranged for training or enough fuel, and that replenishment of units with conscripts and professional soldiers is reduced, but it is also well known that units of the 1st Army have been taking these problems in stride. On the whole, they have achieved everything they have planned and everything that has been assigned them as an extra task. They were not able to plan what is unrealistic, but is so important for motivation in combat training—a quite considerable improvement in the standard of living of its personnel. They are aware that the present method of evaluating the results of the most difficult occupations in the army, which make no essential difference between the field and the office, is a sure way of losing the best personnel and experts to attrition.

Croat Official in Belgrade Explains Serb Position

95BA0147B Zagreb VJESNIK in Serbo-Croatian 28 Jan 95 p 7

[Interview with Dusan Bilandzic, adviser in the Belgrade Office of the Republic of Croatia, by Ivkica Bacic; place and date not given: "Milosevic's Nod to Mutual Recognition"]

[FBIS Translated Text] *The decision by Dr. Franjo Tudjman, president of Croatia, to deny hospitality to the UNPROFOR [UN Protection Forces] has been the "news of the day" for days now. Everyone—from top world statesmen and politicians to diplomats and intermediaries in the peace process—has been taking a position on this undoubtedly far-reaching decision, but also a decision approved by a majority of Croats and citizens of Croatia. Quite a bit is known about reactions from the "distant" world. However, much less is known about reactions from the immediate neighborhood, specifically from that neighborhood that imposed war on Croatia (because "Serbia is defending itself in Knin"), and then agreed to the Blue Helmets coming to Croatia. That is why at the beginning of our interview with Dr. Dusan Bilandzic, adviser in the Office of the Republic of Croatia in Belgrade, we asked how Serbia reacted to the Croatian refusal of the UNPROFOR mandate.*

[Bilandzic] If Belgrade's present reactions are compared to reactions to events well known to us in recent years, it is an obvious fact that they are all now much more moderate and mild. And the event itself—because the former SFRY [Socialist Federal Republic of Yugoslavia] was a cosignatory of the Vance Plan and because present-day Yugoslavia is trying to prove that it is its successor—perhaps demanded a stronger reaction.

[Bacic] How do you interpret that relative calm? Does it perhaps surprise you?

[Bilandzic] I did, in fact, expect it, and there were two reasons. The first is that, in my assessment, Slobodan Milosevic is now planning for peace, not war. I think that Milosevic is preparing to sign peace documents, mainly calling for those solutions that the international community has defined—from the 1991 Hague arrangement to the plan of the Contact Group. In the future negotiations, he will be trying to achieve the largest possible concessions, that is, achieve what he has already publicly declared. And he has said that the Serbian national program has mainly been achieved, because a Serbian state has been achieved in Bosnia-Herzegovina, and because the Serbs in Croatia are protected by international arrangements.

The second reason lies in a broader phenomenon that has affected the Serbian political and spiritual public and the broadest strata, from which I exclude extremists around Seselj's Radicals and Kostunica's Democrats, and especially those in and around the Serbian Orthodox Church. The Serbian public has been seized by hopelessness, and it can no longer be won over to anything, not even major issues. This is confirmed in fact by the conflict between Milosevic and Karadzic, to which the masses have not reacted at all. That is, there has not been a single rally for solidarity in support of Pale, although there have been attempts. Further, Serbia is today even literally in the dark, and the people are not reacting even to that. Nor have there been reactions to dismissal of the UNPROFOR. Apathy and real hopelessness are replacing the former euphoria, self-confidence, and hope that the proclaimed objectives will be achieved.

The Necessary Reaction to the Croatian Decision

[Bacic] Milosevic said in a conversation with David Owen that the departure of the UNPROFOR could lead to war, but even that statement was not particularly "fiery." What was he indicating? That he had renounced the branch in Knin? Do you believe that?

[Bilandzic] I believe that departure of the UNPROFOR will not result in a serious armed conflict between Croatia and Serbia. It is of some significance that during the entire war Serbia as a state has never come into frontal conflict with Croatia as a state. Of course, in saying that I do not deny that everything that the former JNA [Yugoslav People's Army] did in Croatia was inspired and directed from one center during the preparations for war and during the time when it broke out.

[Bacic] Serbia never had to do that because it could achieve what it wanted by other means, and at the same time it avoided being formally accused of the war in Croatia.

[Bilandzic] Fine, but it obviously could have achieved that by other means; but it also could have done what was not done by the military and political leadership at that time, and for which it is now being reproached by some in the former JNA and in the opposition, who are saying that back in 1990 it should have taken up the Virovitica-Karlovac-Karlobag line, or at least approximately the borders that Nikola Pasic got in the London Treaty. That possibility did exist, but only until January 1992, so long as Croatia had not been internationally recognized. When it was recognized, and when Bosnia-Herzegovina was recognized three months later, then Serbia's formal war against them would have signified an attack on two members of the United Nations. As for Milosevic's most recent statement, and it is clear to you that any leader in Serbia, whatever legitimacy and charisma he might have—if he decides to sign peace documents—cannot escape accusations of treason. The signing of peace documents means largely giving up a national project that is more than 150 years old. That makes it difficult to sign, but at the same time his statement that there could be war can be interpreted as a necessary reaction to Croatia's decision.

Milosevic Is Concerned About the Balance of Power

[Bacic] Do you know anything more about the "pleasant surprise" that supposedly awaits Croatia in just a few days? Is this perhaps Croatia's recognition by Serbia?

[Bilandzic] I think Milosevic is inclined in that direction. I will not say that he has made the decision, but he is so inclined.

[Bacic] Inclined to what?

[Bilandzic] To the recognition of Croatia in its internationally recognized borders. I say "inclined" because in the constantly changing situation you are never certain that nothing will crop up to turn development in another direction. For example, something major in relations among the five great powers. Milosevic is likewise the type of politician who does not stick firmly and permanently to one scenario. He always pursues one, but he has another two or three in mind, so that he adapts his program and objectives to the balance of power in the world and on the territory of the former Yugoslavia. That is why we cannot say today that he has one definitive scenario from which he certainly will not depart.

[Bacic] Thus, one cannot speak about his promises, about his "inclinations" today, as though this were a "durable commodity." On the contrary, one can only speak of them as a "perishable commodity."

[Bilandzic] Perhaps that is so. However, my assessment is that at this moment his political tactics depend most of all on the possibility or impossibility, daring or hesitation, to bring Pale under control. Without control over Pale, he cannot play the political game freely. And he does not have that control now.

Serbia Is Tired of War

[Bacic] Is the conflict between Milosevic and Karadzic above all a conflict between two ethnic leaders, two claimants to the place of the Pan-Serbian leader?

[Bilandzic] Since the spring of 1993, when Milosevic attempted to compel Karadzic to sign the Vance-Owen Plan, that conflict has been intensifying without interruption. But the conflict between them as ethnic leaders is only one aspect. If the international and other circumstances were favorable to achievement of the project of unifying all the Serbian lands, all Serbian political currents would be in favor of that. However, the Serbian cause at present, from Knin via Pale to Podgorica and Belgrade, is divided precisely because those circumstances do not exist. One block is Pale, which wants to impose itself as a Piedmont of the new Serbian cause. A theocratic entity is being created in Pale, and at the same time, to make the paradox still greater, the leaders of that quasi-state say that they are building a capitalist state. They say at the same time that the government in Belgrade is bolshevist and decadent. That block seems to be supported by a majority of the parties in Serbia, even by a majority of the Serbs in Serbia. Pale wants to unite with Knin, and then also with Serbia and Montenegro, and it is calling for the Army of Yugoslavia to take up positions on the borders of that new state and then to wait for international recognition.

For two years now, Milosevic has been rejecting that conception, because accepting it would signify an attack on two members of the United Nations and would immediately draw Serbia into war. But Milosevic is saying that Serbia is tired of war. Milosevic's argument is that Serbia must go back to the international community. I would also recall that the Serbian dilemma—becoming part of European trends or stepping aside from them and moving eastward—has lasted more than 100 years. That was the issue in the conflict between the Karadjordjevic and Obrenovic dynasties. Even today there are two Serbias—one modernist, which tends toward democracy and wants to join the international community, and the other the one being offered by Pale.

[Bacic] Surely, that first Serbia is not the one headed by Slobodan Milosevic?

[Bilandzic] No, I did not say that. The advocates of that conception of Serbia's development are still weak and powerless today, and they are grouped around several civil parties. I meant something else, and that is that I take seriously what people say on Milosevic's first team. They are saying—let us stop, let us hold what we have already taken. By accepting the peace plan of the Contact Group, they say, we have a Serbian state in Bosnia-Herzegovina. Bosnia can exist as a formal entity, but there is no longer Bosnia as a state, as they see it.

Constant Negotiations Between Zagreb and Belgrade

[Bacic] President Tudjman announced in an interview with a German newspaper, and this was recently, an exchange of ambassadors between Zagreb and Belgrade. Do you know anything more about that?

[Bilandzic] I know only about a nod from Belgrade to the effect that Milosevic was ready for mutual recognition and the opening of embassies.

[Bacic] Under what conditions?

[Bilandzic] That is a matter of present negotiations and a possible agreement.

[Bacic] Negotiations between Zagreb and Belgrade are being conducted constantly?

[Bilandzic] Negotiations are taking place constantly, contacts are constant.

[Bacic] At what level?

[Bilandzic] I do not know.

[Bacic] People in the world are rather concerned about the dismissal of the UNPROFOR. Even European politicians inclined toward us say that this decision is wrong and could result in war with Serbia. How do you interpret it?

[Bilandzic] What I am almost certain of is that the international community will accept the Croatian decision with understanding regardless of what foreign politicians and diplomats say. Not so much because of inclination toward Croatia, but because of the bare fact that the international community has compromised itself to its foundations, in Croatia, in Bosnia, and in Chechnya.... In all those conflicts, the international community has shown itself to be utterly insufficient, so that the world public is disgusted with all that to the point where it will say—really, with all those world bureaucrats traveling from north to south, from one meridian to another, and actually doing nothing, the Croatian Government and people have the right to react that way!

[Bacic] The same terms might also be used in speaking about a favorable moment for the decision to dismiss the UNPROFOR.

[Bilandzic] Right, and another thing to be taken into account is the extent to which Serbia has been economically incapacitated. A year ago, the rate of inflation was 315 million percent. Today, Serbia can no longer maintain even its electric power system, because it is unable to repair those installations. For it, removal of the sanctions and the return to the international community are actually a question of life or death.

[Bacic] There is renewed talk in the world in connection with the Croatian decision to dismiss the UNPROFOR about how an agreement between the presidents of Croatia and Serbia is behind that.

[Bilandzic] I do not believe that!

Belgrade Is Pressuring Knin

[Bacic] You mentioned a while ago a nod from Serbia. That is why I would like to ask you whether Milosevic can be trusted. Incidentally, he has constantly been repeating that mutual recognition will not occur until Zagreb and Knin agree on a political solution.

[Bilandzic] Milosevic and his nod concerning possible mutual recognition have nothing at all to do with Croatia's decision to terminate the UNPROFOR mandate. But something else is relevant. It is a relevant fact that on the one hand the international community has issued its principles and promises, while on the other the Croatian public at large is demanding a solution and recovery of the occupied areas. Only a strong force can prevent that action, the act of taking back the occupied territories. As for negotiations with Knin, there is no doubt whatsoever that Belgrade is forcing it to undertake those negotiations and, of course, trying to get the maximum.

[Bacic] What is the maximum?

[Bilandzic] The closest possible thing to maximum political autonomy.

[Bacic] That is more than what is guaranteed by our constitution and the constitutional law.

[Bilandzic] That is their desire and their objective.

[Bacic] And what is Croatia willing to do?

[Bilandzic] I do not know the details of those negotiations. I do not know which political, cultural, and other forms of life should be included under the regime of an autonomous entity, and which are those spheres of social life which must be in the jurisdiction of the central Croatian Government.

[Bacic] How will our dismissal of the UNPROFOR and possible mutual recognition of Croatia and Serbia affect the situation in Bosnia-Herzegovina?

[Bilandzic] The outlines of a solution for Bosnia have been furnished by the international community, the Contact Group, and the United States in particular. That means: the federation of Bosnian Muslims and Croats and a loose union between that federation and Karadzic's state, which, it seems, will also get the right to confederal ties with Belgrade. All three sides are taking up hard positions in Bosnia, but perhaps that of the Croatian side is less so than the others. The Bosnian Muslims have set as their paramount political objective the preservation of Bosnia as a unified state, which the Serbian side does not accept at all, and it is hard to imagine that it will ever accept it.

[Bacic] Will Croatia and also the Bosnian Croats consent to a confederation between Pale and Belgrade? Would that not signify the birth of another Yugoslavia?

[Bilandzic] Nothing has been completed; everything is in a process of unceasing change, conflict, and model-building, so that nothing can be said with certainty in advance. Political parties and the heads of the various states, and this applies especially to the Balkans, are constantly adapting to changing balances of power and new situations in the international environment. It is the imperative of every well-conducted national policy to get the maximum for its own state from that adaptation.

Belgrade Taking Steps Against Inflation

95BA0166A Belgrade POLITIKA in Serbo-Croatian 4 Feb 95 pp 1, 9

[Article by Bogdan Trbojevic: "Prices Are Settling Down"]

[FBIS Translated Text] The gray economy, with its disastrous impact on the official trade sector and the FRY [Federal Republic of Yugoslavia] state budget, has shown once again this past week its advantage over prices, which, one might say, are mainly staying quiet. There have been no very large increases, and there have been a few reductions. The price stampers are usually on vacation. By and large that has been the report from stores in the last seven days. Expectations that the icing of the market by producers of raw materials, production supplies, and entrenched monopolists will begin to thaw have not been realized. January inflation was 12.4 percent, and the cost of living rose 14.7 percent. However, inflation is dropping with each passing day.

The German mark has reached a value of 1.8 dinars on the black market. Nevertheless, gasoline is now 3 dinars cheaper. The consumer market basket for a four-member family costs 596.33 dinars, a true mirror of the market price situation.

But there are also other pulses beating on the market. Last week, the full contents of the new price regulation were also made public. Those who disobey and persistently and unjustifiably maintain high prices will be denied credits from the commercial banks, they will relinquish the right to import quotas, and they will be denied supply of fuel and energy under priority conditions. Dusan Vlatkovic, Serbian finance minister, has made a statement that the National Bank of Yugoslavia [NBJ] will not loosen its restrictions on credit financing to business people who do not comply. All those who have grounds for raising prices will be compelled to comply with the rules. The Serbian Chamber of Commerce is requiring that before producers raise prices, they must first report the price on 31 July and 31 December of last year, the current price, and the price of that article on the world market.

Many producer firms are now making a new calculation of how much they have lost because of the less expensive smuggled goods sold on the black market. Tesla of Pancevo is complaining that 25 million light bulbs were sold on the black market last year. If the ready-to-wear clothing, clothing accessories, knitwear, and footwear sectors made their calculations, then it would really be evident how much business has been done without them on the gray market.

The reports confirm that the battle is really beginning against the gray market. Belgrade tourist agencies are reporting that their smuggling trips have been almost decimated, because it is less and less profitable for smugglers to travel to Thessalonica, Sofia, Budapest, Timisoara....

The strange behavior of certain producers in events on the market is also evidenced by statements from the oil mills that they do not have containers, and that is why there is less oil. However, we have seen ourselves that stores are not accepting glass bottles, because they are "gratis." Consumers have thus been compelled to throw away hundreds of thousands of bottles!

Even the reduction of prices looks a bit strange. Simpo's Bristol bedroom suite increased from 3,400 to 4,082 dinars in the first half of December of last year. Its price now is 3,978 dinars. It has dropped, then, 104 dinars. The prices of ready-to-wear suits are dropping much more than that! At Obod in Cetinje, they have told us that they have not raised their prices, but the higher prices of chest freezers, which cost 1,239 dinars for the 210-liter model and 1,426 for the 310-liter model, are still in effect. Electric ranges from Artur Marten in Smederevo also have kept their high price of 1,169 dinars.

The Beograd Department Stores have dropped their prices from 20 to 30 percent, so that suits cost 200 instead of 285, and Zeleznicar's suits have dropped from 365 to 252 dinars. But in spite of these efforts, this firm is having a hard time getting out of its crisis. Although last year was not good for the furniture trade, we have heard from the company Novi Dom that in six months they have gone from being completely unprofitable to really profitable.

The stores are also receiving oil and detergents more and more frequently.

Many footwear producers are not dropping their prices, saying that they have not been raised since 25 July of last year. One of those who told us that was Gordana Brocic, marketing director for Obuca-eksport-import. Footwear is expensive because between April and June of last year tanned leather rose from the 40-50-dinar range per square meter to 80, 90, or even 95 dinars. Soles, glue, and everything that goes into footwear also became more expensive. If production supplies are less expensive, footwear will be less expensive as well. "We at Obuca have prices of 30, 40, 50, and 70 dinars, but now all the producers are offering footwear at 70 and 80 dinars. Men's shoes from domestic producers range between 40 and 139 dinars in our stores, and women's between 30 and 99 dinars. It is incredible, but now sandals are the best sellers, although the season is not here yet, at prices from 25 to 79 dinars," Gordana Brocic said.

We asked Dragoslav Mitic, general director of BIO [Belgrade Footwear Industry], a firm that is one of the best producers, what is happening on the market and why footwear is not becoming less expensive?

"We at BIO have not raised prices since 24 January of last year, but we have dropped them on several occasions, and now we have no grounds or possibility of reducing them. However, because the winter season is passing, we are preparing to reduce by 20 percent the prices of seasonal winter footwear, and we will have the cheapest boots and shoes. For the moment, we are in a position of seeking ways of increasing our sales, because sales have stopped almost entirely. We are waging a battle with producers of production supplies. Rawhides, which previously cost 1.3 dinars per kilogram, cannot be found now under 3.5 dinars. Our firm has a labor force of 3,000, and we simply cannot allow production to stop," says Dragoslav Mitic, BIO general director.

Serbia

Daily Reports Milosevic Received Krajina Leaders

AU0803145695 Belgrade NASA BORBA in Serbo-Croatian 8 Mar 95 p 4

[Article by D. Petrovic: "Goran Hadzic's Intense Diplomacy"]

[FBIS Translated Excerpt] [Passage omitted] Unofficial information on an alleged Milosevic-Martic-Mikelic-Lezajic meeting that took place on Monday [6 March] night—which we have received in the meantime—was has been neither denied nor confirmed by the republic of Serbian Krajina bureau, but we have been told that "we have no such information." Prime Minister Mikelic has just left for Knin so he also cannot help you, the Bureau's clerks have informed us. However, we have learned unofficially that "several republic of Serbian Krajina officials" visited Belgrade on Monday evening, which could again be interpreted in several ways.

DSS Head: Recognition of Croatia, B-H Decided

LD0803183595 Belgrade SRNA in Serbo-Croatian 1702 GMT 8 Mar 95

[Item received via fax]

[FBIS Translated Text] Belgrade, 8 Mar (SRNA)—Vojislav Kostunica, chairman of the Democratic Party of Serbia [DSS], said in Belgrade today that recognizing the former Yugoslav republics of Bosnia-Herzegovina and Croatia "has already been decided on, and the Serbian president is uncertain only about the way in which to announce the decision to the public."

Kostunica told a news conference today that "the regime in Belgrade is deep into preparing the ground for the recognition of Bosnia-Hercegovina and Croatia," while at the same time, President Milosevic "is sending his pawns—such as Tomic, Lilic, and Marjanovic—to speak about it instead of him."

"As for the situation in the republic of Serb Krajina, the international community's bias is coming to the surface again," Kostunica believes. According to him, Tudjman's decision to cancel the UN forces' mandate could be interpreted as a game in which "the Croatian president is to show that he is independent and that he is the one who makes final decisions."

"On the other hand, it has been hinted to Tudjman that if he changes his decision, he will be granted special status and economic aid from the European Community, which is an obvious proof of bias on the part of the international players," the DSS chairman said in conclusion.

Serbs, Russians Sign Agriculture Agreement

95BA0170A Belgrade POLITIKA in Serbo-Croatian 7 Feb 95 p 11

[Article by Lj.R.: "Joint Advancement of Agriculture"]

[FBIS Translated Text] Yesterday, at Intereksport, one of the leading entities in agricultural exchange between Russia and Serbia, Agriculture Ministers Aleksandr Gligoriyevich Nazarchuk of the Government of the Russian Federation and Dr. Ivko Djonovic of the Government of the Republic of Serbia signed an intergovernmental protocol on cooperation in all branches of agriculture.

According to Dr. Ivko Djonovic, the problems in agriculture are similar and there is a common interest in promoting agricultural cooperation.

"The signing and implementation of this agreement will result in mutual exchange of technology in all areas of agriculture and improve the production of products for plant and animal pest and disease control and equipment for agriculture. So long as the sanctions are in effect, we will be doing whatever we can and preparing so that once the sanctions are removed, we can do everything that is not possible today," Djonovic said.

Emphasizing that the former Soviet Union purchased in Yugoslavia 20,000 metric tons of corn, about 30 million nursery plants, and hybrid seed, and delivered to us fertilizer, rice, millet, buckwheat, and other agricultural crops, Aleksandr Nazarchuk said that this agreement will become part of the general protocol on cooperation between the two countries.

"Both Russia and Yugoslavia have great potential for the development of agriculture, and we need one another. Preconditions have been brought about for the production of seed, for mercantile production, so that we will very quickly set up joint ventures in Russia. Russia will be delivering raw materials for the production of fertilizer, and we will be taking every step so that Yugoslav firms take part in building seed production centers," Aleksandr Nazarchuk said, and he added that this agreement affords very favorable arrangements in delivery of agricultural crops.

The Russian minister emphasized that all the projects covered by this agreement will be spelled out in detail on the very first official visit to Russia by our agriculture minister.

Montenegro

Synod Decision Seen Undermining Muslim Unity

95BA0173C Podgorica POBJEDA in Serbo-Croatian 16 Feb 95 p 5

[Unattributed article: "Federal Government Commission on Relations With Religious Communities on Independence of Islamic Religious Community in Montenegro: Violated Constitution"]

[FBIS Translated Text] *The decision by the Synod of the Islamic Religious Community of Montenegro undermines the unity of Islamic believers in the FRY [Federal Republic of Yugoslavia], the commission believes.*

Belgrade, 15 Feb (TANJUG)—The Federal Government Commission on Relations With Religious Communities considered at today's session (presided over by Dr. Zoran Bingulac) the decision by the Synod of the Islamic Religious Community of Montenegro to declare full independence and select a *reis*, the Federal Secretariat for Information reported.

The opinion was that this decision conflicts with the constitutionally guaranteed rights and religious liberties of citizens of the Federal Republic of Yugoslavia and that it deviates from the framework of the republican and federal legal system.

There was acceptance of the opinion held by Islamic believers of Slavic origin that the decision by the Islamic Religious Community of Montenegro is an attempt to Albanize the Slavic Islamic population and to deviate from the attitude that the Islamic Religious Community in Yugoslavia has supported for 70 years. That is also the opinion of the majority of official representatives of the Islamic population in the FRY. Given the fact that two-thirds of the Muslims in Montenegro are of Slavic origin and Sunni orientation, it is obvious that the decision could cause an intensification of the differences on which the radical Shiite wing of Islam insists.

The aim of the decision is to make the entire Muslim population Shiite and to achieve the fundamentalist, separatist goals of the Synod of the Islamic Religious Community in Kosovo and Metohija. This directly undermines the unity of Islamic believers in the FRY and deviates from the practice of Islamic communities in European states, where there is only one supreme synod in each country.

The selection of a *reis* as the top political leader of Muslims in Montenegro grossly violates the FRY Constitution, which in this regard is one of the most democratic constitutions in the world and which guarantees equal rights to all citizens, and thus to both believers and nonbelievers.

It was stressed that the commission has good relations with all religious communities, and thus with the Islamic one as well, aside from the Synod of the Islamic Religious Community in Kosovo and Metohija.

Also discussed at today's session of the Federal Government Commission on Relations with Religious Communities was the desecration of cemeteries in The Former Yugoslav Republic of Macedonia [FYROM] where Serbian soldiers from the Balkan Wars and World War I are buried, and the construction of a so-called Macedonian Orthodox church at the Serbian Memorial Cemetery in Skopje.

This situation was strongly condemned, and it was noted that such actions are contrary to the elementary rules of civilized behavior and that historical facts are being crudely denied. The commission expects the competent bodies of the FYROM to prevent the vandalism in question and to allow the Serbian heroes who fell for Balkan freedom to have a peaceful resting place, the statement by the Federal Secretariat for Information emphasized.

Kosovo

Forcible Army Recruitment of Albanians Reported

AU0903123295 Tirana TVSH Television Network in Albanian 1735 GMT 8 Mar 95

[Telephone report by Mehmet Haziri from Prishtina]

[FBIS Translated Text] The primary aim of all Serbian projects to colonize Kosova is to empty Kosova of Albanians. Meanwhile, to achieve this aim, the preferred method is the use of force in a variety of forms, which the Serbian authorities have been carrying out for decades in Kosova. The Serbian police and military authorities have recently undertaken a large operation to forcibly recruit Albanian youngsters for the Serbian Army. For three successive days, reports have been arriving from various parts of Kosova on call up papers for military service being distributed.

On 4 and 5 March, this genocidal action of the Serbian installed power forcibly provided the Serbian Army with more than 120 Albanian youths from Suhareke. Over 660 call up papers were distributed in the villages of Gjakove and Leshan in Peje.

Through its correspondent, the Kosova Information Center meanwhile carries a report from Kacanik confirming that Serbian police authorities in this commune distributed 163 call up papers. It is reported that such papers have been distributed to Albanian youths in Gjilan and Viti communes.

This massive operation by the Serbian occupying authorities to forcibly recruit Albanians for the Serbian Army has made the situation even more tense in Kosova. There are still no public and more organized reactions by political and state parties and institutions in Kosova. However, there exists an idea in the public that despite the unpleasant situation, Kosova should not be abandoned. Just by staying here, it would be impossible for Serbia to realize its plans and aggressive propaganda on the colonization of Kosova.

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